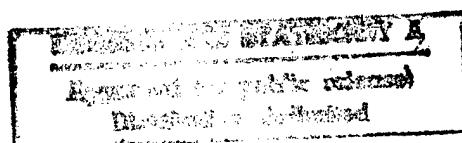


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9 November 1982



# South and East Asia Report

No. 1212

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**FBIS** FOREIGN BROADCAST INFORMATION SERVICE

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## SOUTH AND EAST ASIA REPORT

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INTER-ASIAN AFFAIRS

REPORT ON ARAB INVESTMENT OPPORTUNITIES IN SOUTH ASIA

London AL-MAJALLAH in Arabic No 134, 4-10 Sep 82 pp 42-43

[Article: "Countries of Southeast Asia Trying To Attract Arab Investments and Arab Capital"]

[Text] Political leaders in southeast Asia have begun expressing their disappointment with the low level of investments in their countries by some Middle Eastern countries, despite the encouraging overtures that were made by some banks in the countries of the Arabian Gulf.

A Malaysian official complained, "Arab investors lack a broad imagination. They are only interested in land and real estate. This is not what we have been hoping for."

What Malaysia's prime minister, (Muntazar) Mohamad and the remaining leaders of the League of Southeast Asian Countries aspire for are major projects that would link together capital coming from Arab countries that are members of OPEC, Korean technology and the natural resources and manpower that are available locally. That is, they are making an effort to achieve the so-called Asian triangle.

This league consists of Indonesia, Malaysia, the Philippines, Singapore and Thailand. All these countries are "moderate" countries, and they have one thing in common: they all fear the People's Republic of China which supports illegal communist parties in those countries. The countries of the Southeast Asia League also fear the largest military power in the area, Vietnam, which is loyal to Moscow.

The five countries that are members of this league are different from each other. Indonesia, whose population is 140 million persons and which consists of a group of islands, is the largest Islamic country in the world as far as its population is concerned. Oil is its principal resource. In 1965 an uprising by communists loyal to Beijing was put down after about 600,000 persons were killed. However, with [annual] per capita income being about 130 dollars, according to the 1980 world census, Indonesia is considered one of the very poor countries.

The Philippines is considered more industrialized than Indonesia. Per capita income in Indonesia is 890 dollars, even though its population is 50 million. The vast majority of the population in the Philippines are Catholics. Also educated people there speak English fluently. [The chief] religion in Thailand, whose

population is 50 million, is Buddhism, and per capita income there is about 670 dollars. As far as oil and gas are concerned, Thailand is self-sufficient, producing both oil and gas locally.

In Malaysia, however, whose population is about 14 million, per capita income is about 2,090 dollars. Malaysia is considered the largest producer in the world of rubber, tin and other metals. It is therefore considered one of the rich countries in the region despite the fact that its population is a mix of Chinese, Indians, Sri Lankans and Bengalis.

With its 2.5 million people--76 percent of whom are Chinese--Singapore is considered the Geneva of Asia with a per capita income that is about 4,430 dollars. This is the highest per capita income in Southeast Asian countries, with the exception of Japan. Like Japan, Singapore is considered a center for high technological industries.

One of the most important salient economic features in Singapore is the Asian currency which is called the Asian dollar. There is a possibility that a trade community may be established in the free commercial zone in order to meet the demands of the unified market which may consist of about 250 million local consumers. However, the ongoing cold war with Vietnam and its two allies, Laos and Cambodia, has shaken consumer confidence. At the present time 19 American companies in Malaysia are producing semi-conductors--transistors and similar objects--thereby making the country the largest foreign supplier of these products to the United States. It is rare for a foreign visitor to go into a hotel, a restaurant or an elevator in a building without seeing a few Japanese businessmen.

#### Appointment of Jewish Ambassador Rejected

It seems though that the United States has begun losing its influence in Indonesia and Malaysia due to its special relationship with Israel. Both countries have been plagued by a wave of bomb threats against American institutions. Last June [or] July Indonesia declined to accept the appointment of Morton (Ambrose) Moses as U.S. ambassador to Indonesia because he is Jewish.

Recently Malaysia has become involved in an open dispute with Britain which in the past had colonized the country. Britain was denied investment opportunities in Malaysia. Despite the fact that Malaysian and Indonesian officials have been trying to obtain Japanese investments in their country, Japan's occupation of the five Asian countries during World War II has left bitter memories that cannot be easily forgotten. Also as a people, the Japanese do not have sufficient popularity.

"Accordingly, investment possibilities in Southeast Asia for countries of the Middle east appear to be excellent," said the editor of an economics magazine in Kuala Lumpur. The magazine editor added, "We will welcome investments from Middle Eastern countries more than investments from other countries."

The ministers of foreign affairs of Malaysia and Indonesia, Ghazali bin Shafie and Mochtar Kusumaatmadja, [respectively], will visit Islamic countries in the next few weeks to seek their support regarding the new coalition government in

Cambodia, which is headed by Norodom Sihanouk. This government will take Cambodia's seat at the United Nations next September. Both ministers will use this tour to explore the matter of Arab investments in their countries.

Thailand is seeking to broaden the range of its domestic investments. Annual economic growth in Thailand, a country which attracts more than 1 million tourists a year, most of whom are from the countries of the Arabian Gulf, is eight percent.

At the present time Arab investments are concentrated in Malaysia, Indonesia and Singapore. In Malaysia, for example, the government is building an Islamic university by means of the aid that is being offered by Pakistan and the Arab countries. Malaysia and Indonesia, however, are quite apprehensive about the Islamic Iranian wave; they are prohibiting, for example, displays of Khomeyni's pictures and slogans.

Recently, the United States offered Malaysia a loan of 1 billion dollars to help the country improve its economic conditions. This happened after the annual rate of growth fell from 8 to 5 percent this year and after inflation doubled and reached an annual rate of 10 percent. The government of Malaysia borrowed 1.2 billion dollars from Europe. This includes a 250 million dollar loan for building a gas refinery in Sarawak.

Last year Malaysia's oil revenues amounted to 3 billion dollars; it earned 2.6 billion dollars from exporting manufactured goods, especially electronics. As a result of the recent decline in oil prices due to the inflation which world markets are suffering from, the country has had its first deficit in its balance of trade. However, the expected expansion in oil and methane gas production will correct the situation.

#### Saudi Subsidies

The Kingdom of Saudi Arabia has agreed to help the government of Malaysia by establishing a bank that would operate according to Islamic principles. This bank would become one of the effective means or channels for carrying out investment operations that countries of the Middle East undertake. The Industrial Growth and Development Organization in Malaysia is trying to encourage investments in the area of cultivating rubber, in the wood industry; in the growing electronics industry; in aircraft devices; sensitive engineering equipment; heavy industry like paper, cement, petrochemicals and oil refining; and in defense equipment such as light weapons and other weapons.

The aim of the new economic plan is to invest 940 million dollars in developing energy sources and increasing oil and gas exploration. With its present oil fields Malaysia will become an energy exporting country in the next decade.

As far as the people of Singapore are concerned, trade and business to them are like soccer to the people of Brazil. Every morning the newspaper, BUSINESS TIMES is at the doorstep of every home. This newspaper contains much more business news and analyses than can be found in THE WALL STREET JOURNAL or THE FINANCIAL TIMES of London, for example.

Singapore is considered an important banking center in Southeast Asia. [Officials in Singapore] are even thinking of introducing a system of confidential banking and numbered accounts over the objections of neighboring countries.

The market for the Asian dollar began operating in 1969 by abolishing the tax collected on the accounts of non-resident citizens in an attempt to attract the Arab funds of 25 Arab banks. These funds, which are estimated at about 90 billion dollars, are currently invested in the European market.

Singapore is trying to encourage Arab banks to open branches in Singapore so as to ensure more geographic balance and, accordingly, ensure the necessary funding for Asian contractors, especially Koreans, Japanese, Philipinos and Indonesians.

The 100 banks [in Singapore], including large American banks, are very active in extending different loans. They are also very active in trading gold and various other precious metals. The tax levied on the sale of gold is no more than 1 dollar per ounce.

Although wages for industrial workers have risen recently by 18 percent, easy term loans continue to make investments in Singapore very attractive, especially since rent for office space is very low and does not exceed 3.5 dollars per square foot in the most luxurious commercial and financial district overlooking the Strait of Malacca .

The government allows its citizens to borrow funds from their social security accounts if they are going to use those funds to make a down payment to purchase one of the apartments the government is building for them. In addition, citizens are given the opportunity to borrow money in the form of entering into a mortgage agreement to purchase homes.

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CSO: 4704/28

FAREWELL RECEPTION HELD FOR PRC AMBASSADOR

Dacca THE BANGLADESH OBSERVER in English 27 Sep 82 pp 1, 12

[Text] Outgoing Chinese Ambassador in Bangladesh Liu Shuking on Sunday said Bangladesh is a "very close and friendly neighbour" of China and that friendship between the two countries is "very firm and deep-rooted," reports ENA.

He was speaking at a function held simultaneously to celebrate the 33rd anniversary of the founding of People's Republic of China and to accord farewell reception to him at Ramna Restaurant, Dacca on Sunday evening.

Bangladesh-China Friendship Society sponsored the function. Shuking said the peoples of both China and Bangladesh should continue their efforts to further cement and develop the existing friendship between the two countries.

Presided over by President of the association, Mirza Golam Hafiz, the function was addressed by Vice-President of the association Ataur Rahman Khan and Kazi Zafar Ahmed.

Referring to China's commitment to the Third World and developing countries Shuking said his country is pledge-bound to extend all possible support to those struggling against hegemonism, exploitation and oppression.

He outlined the progress achieved by the present leadership of China in all sectors through modernisation programmes. He said objective of his country's modernisation programme includes increase of farm-production four-fold by the turn of the current century. He described the outcome of 12th Congress of the Communist Party of China as "very important and successful".

Mirza Golam Hafiz said friendship and cooperation between Bangladesh and China has been gaining stronger day by day since the establishment of diplomatic relations between the two countries.

He said cultural ties, trade transactions, cooperation in scientific and technical fields developed significantly between the two countries during the past few years.

Mirza Hafiz said China had extended support to Bangladesh in consolidating her national independence and sovereignty and hoped she will always stand by the side of the people of Bangladesh in their just struggle in future.

He said that an Islamic delegation from China will soon visit Bangladesh at the invitation of the government.

Ataur Rahman Khan who led a friendship delegation to China recently narrated the experience of his visit to China.

He said the friendly feelings demonstrated by the people of China during the visit of the friendship delegation clearly shows that the existing ties between the two peoples will be further promoted.

Kazi Zafar said the people of Bangladesh are still continuing their struggle in consolidating their national independence and sovereignty and hoped that China would extend its unflinching support in future.

He lauded the efforts of the outgoing Chinese Ambassador in developing friendship between the peoples of the two countries.

CSO: 4600/1091

'CONFUSING' REPORT ON EXPORT PERFORMANCE NOTED

Dacca HOLIDAY in English 26 Sep 82 pp 1, 8

[Article by Jaglul Alam]

[Text] The export earning of the country during the first two months of the current fiscal year (July-August) indicated a shortfall by over 70 crore takas measured against the projected average target for the period.

During the period 186.12 crore takas were earned by exporting commodities while the target for the same period was 258.16 crore takas taking into account that 1550 crore takas worth of export earning has been fixed for fiscal year 1982-83.

It is gathered that the export situation was to be discussed threadbare by the export promotion authorities with the Martial Law administration on September 22 last. But since CMLA was busy otherwise on that day the meeting could not be held.

Meanwhile, the Export Promotion Bureau has published the export performance report for the month of July and August 1982.

But this performance report about exports during July-August is confusing. It is found that the export figures for July as quoted in the monthly statement of export for the month are not similar to those in the statement prepared for the months of July and August.

In the monthly statement of July it was stated that jute goods (all sorts) worth 36 28 crore takas were exported in July '82 while the statement prepared for August shows that jute goods worth 45 11 crore takas were exported in July '82.

The statement for July showed an export earning of 4 65 crore takas from tanned and semi-tanned leather, while the statement for August shows 4 93 crore takas as export earning for the same commodities for July, '82.

Similarly, export earning from total manufactured commodities during July as quoted in the monthly statement for July was 50.58 crore takas while it was shown in the statement of August that over 55 crore takas were earned from exporting manufactured items in July 1982.

The total export earning during July-August as shown in the statement for August was 190.02 crore takas while totalling the figures of the statements of July and August separately it is found that commodities worth 186.12 crore takas were exported in the same period.

On the other hand, the statement published by the Bangladesh Jute Mills Corporation and Export Promotion Bureau showing export earning from jute goods do not tally.

According to a BJMC source jute goods of about 50 thousand long tons were exported during the first two months of the current fiscal year and about 50.15 crore takas were earned at the rate of about 10,012 takas per ton of jute goods.

But the statement of the Export Promotion Bureau shows that jute goods worth 85.53 crore takas were exported during the same period. However, the latter statement contained neither the volume of jute goods nor its per ton price on the international market.

According to the July '82 statement of export earnings the country incurred a shortfall of over 29 crore takas on export earning compared to the export earning of the previous month. In July '82 commodities worth 76.16 crore takas were exported as against 105.20 crore takas during June 1982.

Export both in terms of volume and takas during July '82 fell due to slow trend in export of jute goods, tanned and semi-tanned leather, handicraft, hosiery and specialized textiles, raw jute, tea, etc.

During June this year raw jute worth 16.88 crore takas was exported. The figure fell by 9.18 crore takas to 7.70 crore takas in July 1982.

Over 2.38 crore takas were earned in June 1982 exporting tea. The earnings decreased to 1.76 crore takas in July, '82.

During June, this year agricultural products worth 104.02 crore takas were exported but in the following month this export decreased by over 17 crore takas to 86.92 crore takas, it is learnt.

Total primary commodities worth 25.57 crore takas were exported from Bangladesh in July this year as against an earning of 31.57 crore takas during the previous month.

The situation indicated some improvement during the month of August '82. In August 109.96 crore takas were earned from export as against 85.51 crore takas export earning during the corresponding period of the previous year.

When contacted, the vice-chairman of Export Promotion Bureau said he could not meet this correspondent because he was 'busy'.

Meanwhile, Export Promotion Bureau has issued a handout clarifying the export performance in July and August, '82 which was also based on the aforesaid anomalous statements.

CSO: 4600/1090

FOOD MINISTER: ARRANGEMENTS FOR FOOD GRAINS ADEQUATE

Dacca THE BANGLADESH OBSERVER in English 26 Sep 82 pp 1, 8

[Text] Daulatpur (Kushtia) Sept. 25:--Food Minister Air Vice-Marshal (Retd.) A. G. Mahmood today said that adequate foodgrains had already been arranged from external sources to meet the additional food shortage caused by recent flood and drought in some districts reports BSS.

Addressing a cross-section of people here this morning the Minister said that 12 lakh tons of foodgrains were scheduled to arrive in the country by December next. He said that over 50 per cent of this quantity had so far arrived.

Air Vice-Marshal Mahmood said that Government was fully aware of the food situation and was keeping a constant watch on the market. Adequate measures have also been taken to intensify supply of foodgrains through open market sale modified rationing and test relief he added.

He said that the foodstock in the Government godowns as well as in the pipeline was satisfactory. He assured that there would be no interruption in the supply of foodgrains through Government distribution system.

The Minister was informed in the meeting that sufficient quantity of foodgrains was being distributed all over the district of Kushtia and it had made salutary effect on the market to stabilize the price of foodgrains.

Explaining the food policy of the present Government the Minister said that the objective of the policy was to strengthen the free movement of the foodgrains to make food available in all the areas of the country.

Referring to the various steps taken by the Government in other fields the Minister said since our resources were limited these should be utilized properly and in a planned way for the benefit of the common man. The Minister said with that aim in view the Government had taken several fundamental policy decisions for the total uplift of the rural people. He called upon the people to come forward to work with the Government to implement these programmes.

The Food Minister also visited the local LSD and OMS centre. He was informed that over 45 thousand maunds of foodgrains were stored in Daulatpur P.S. alone.

Later Air Vice-Marshal Mahmood met a cross-section of people at Gangni and Chuadanga and discussed food situation with them.

Earlier on Friday the Minister addressed two separate meetings at Ishurdi and Sathia in Pabna district.

CSO: 4600/1089

BANGLADESH

FIRST PHASE OF BAKHRABAD GAS DRILLING COMPLETED

Dacca THE BANGLADESH OBSERVER in English 26 Sep 82 p 1

[Text] Bakhrabad (Comilla) Sept 25:--The first phase of Bakhrabad gas drilling was completed today reports BSS.

The DCMLA and Minister for energy and mineral resources Air Vice-Marshal Sultan Mahmud formally announced the successful completion of the exploration phase of the project when he visited the drilling site in Comilla.

Bakhrabad is one of the largest gas fields of the country, with an estimated reserve of three trillion cft. gas. In addition, there would be available a considerable quantum of condensate which would also reduce the foreign exchange burden on account of oil import.

The drilling in this gas field was started in June 1980 and was designed project to have its producing wells with gas gathering and processing facilities. The estimated cost of the project was Taka 109 crore including a foreign exchange component of Taka 90 crore, financed by OECF of Japan.

All the five wells out of which four are deviation drilling of the project have now been completed with an estimated minimum production capacity of 150 million cft. of gas daily. The gas gathering and processing equipments are expected to be installed and commissioned by June, 1983.

Air Vice-Marshal Sultan Mahmud also visited the gas pipeline link areas at Feni which will be completed by March next year.

This will connect Bakhrabad with Chittagong city gate station and transmit gas through the 110-mile long pipe-line to Chittagong city and industrial areas and six lakh consumers will be benefited. At the same time, the consuming centres at Comilla, Chandpur, Laksham, Feni will also come within the network.

While addressing the personnel of the Bakhrabad gas field Air Vice-Marshal Sultan Mahmud appreciated their endeavour and enthusiasm which helped early completion of the work. He expressed his gratitude to OECF and Japan for providing necessary assistance for successful completion of the drilling project.

He also mentioned that the Government was keen to extract LPG from natural gas and supply it throughout the country.

The DCMLA asked the officials to coordinate with other related agencies for early completion of the pipeline connection.

He said, it is our prime responsibility to meet the growing demand of gas of our own people within the country and urged all concerned to work with dedication to fulfil the task.

Air Vice-Marshal Sultan Mahmud also visited Feni 33 KV power sub-station and expressed his dissatisfaction of the poor standard of electricity distribution there.

He asked the PDB authorities to take up a rehabilitation programme immediately with special emphasis on the maintenance of the scheme to ensure smooth power supply in the area.

CSO: 4600/1089

## FINANCING STOPPED IN 16 INDUSTRIAL SECTORS

Dacca HOLIDAY in English 26 Sep 82 p 3

[Article by Badiul Alam]

[Text] Due to acute shortage of funds both in foreign and local currency the government has directed the major lending institutions, Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sangstha (BSRS) not to entertain for now any projects other than export-oriented and import substituting industries.

In particular the government has advised the lending institutions to stop financing in some 16 subsectors. These are, fish catching and processing, cold storage, biscuit factory, edible and non-edible oils including refinery and hydrogenation, beverage (nonalcoholic), cordage, rope, twine and jute yarn, jute bailing, plywood, packing board, foot wear, steel re-rolling mills (excluding corrugated & plain galvanized sheets), aluminium utensils & enamelware, dry cell batteries and parts thereof, electric fans, bodybuilding of bus, trucks, etc. and acquisition of ships and coasters (ocean going).

It is learnt that this decision of the government has adversely affected a substantial number of private sponsors whose projects had been approved and for which funds had been sanctioned and who were awaiting finalization of machinery procurement.

An official of D. G. Industries Office said that the existing capacity in these sectors appears to be in excess of requirement. Moreover, some of these sectors could not utilize the sanctioned capacity due to paucity of necessary raw materials and marketing problems, he claimed.

He particularly referred to the fish catching and processing plants. As per sanctioned capacity nearly 2 lakh tons of fish can be processed, but up to Dec. '81 it was utilized only to the extent of 94,475 tons.

In cold storage sector sanctioned capacity was nearly 2 and a half lakh tons. But up to the end of last fiscal year capacity utilization was only 1 lakh tons. In footwear sanctioned capacity was 155.18 lakh pairs but utilization was only 118.89 lakh pairs.

As per sanctioned capacity the country can have 3.41 lakhs electric fans by this time. But latest reports revealed that only 2.60 lakhs fans are available.

In drug and pharmaceuticals sector the government advised the banks to give preference to those projects having proposals for manufacturing basic intermediate pharmaceuticals-chemicals, preferably with foreign collaboration and manufacturing of medicine should include 150 essential drugs as mentioned in the new drug policy.

Meanwhile, a highly placed executive of BSB told me that they require foreign currency amounting to 25 to 30 million US dollars and local currency amounting to Tk 40 to 50 crores to meet the demand of the projects lying with the bank.

It is learnt from a reliable source that the management of BSRS has asked the government to arrange some 20 million US dollars urgently.

CSO: 4600/1090

INDIAN INTRUDERS REPORTEDLY STILL IN DAHAGRAM

Dacca THE NEW NATION in English 28 Sep 82 pp 1, 8

[Article by Matiur Rahman]

[Text] The Coochbehar district administration of West Bengal has not yet taken any step to take back the intruders from the two Bangladeshi enclaves—Dahagram and Angorpota.

According to the Rangpur district administration, the Indian side did not even respond to the protest lodged with the District Magistrate of Coochbehar by the Deputy Commissioner of Rangpur against the incident of illegal intrusion.

The Deputy Commissioner of Rangpur had lodged a strong protest with the Coochbehar District Magistrate immediately after the forcible entry into the two Bangladesh enclaves of a number of Indian nationals who tried to settle there. The incident occurred in the early part of this month.

The Indian nationals mainly from the neighbouring Coochbehar district had forced their way into Dahagram and Angorpota and erected houses there defying the protest of the local people.

The Rangpur district administration could not take any action in this regard as the two enclaves remained totally cut off because of the lack of passage or corridor what else we could do when the passage or corridor through Indian territory to the enclaves is not open to us

and the people living in the two enclaves remained virtually stranded there," one district official told this correspondent.

According to reports reaching Dacea, over ten thousand Bangladesh nationals living in the two enclaves have no touch with the mainstream of the country or any link with the local administration because of the non-availability of the Tin Bigha corridor.

The district administration also confirmed that the two enclaves had turned into 'den' of smugglers and miscreants from both the sides thus causing serious concern to the nationals living there.

Meanwhile, Bangladesh Foreign Secretary Ataul Karim was learnt to have discussed the issue on lease-in-perpetuity of the Tin Bigha corridor to Bangladesh with his Indian counterpart K. S. Bajpai when the latter came to Dacca last week.

Both the Foreign Secretaries discussed the matter as it was envisaged in the 1974 Indo-Bangladesh land boundary agreement along with other issues for the forthcoming summit between Chief Martial Law Administrator Lt. General H. M. Ershad and Indian Premier Mrs. Indira Gandhi in New Delhi.

It may be recalled here that former Foreign Secretary Hum-

mayun Rashid Chowdhury and Indian Foreign Secretary Eric Gonsalves had prepared agreed minutes following their talks in Dacca in November last year on the Tin Bigha issue.

The two Foreign Secretaries had elaborate talks on the issue following the joint statement issued after the meeting of Indian Foreign Minister Narashimha Rao and former Foreign Minister Prof. Shamsul Huq in New Delhi in September last year.

Both sides had discussion on the issue again when Indian Foreign Minister Narashimha Rao visited Dacca in May last.

The Tin Bigha corridor issue became ticklish following the non-implementation of the land boundary agreement signed by the late Prime Minister Sheikh Mujibur Rahman and Indian Prime Minister Mrs. Indira Gandhi in 1974 during the former's visit to New Delhi.

Bangladesh immediately after the signing had ratified the agreement by the then parliament but India has not yet ratified it by her parliament.

According to diplomatic circles in Dacca, the Tin Bigha issue might be solved this time when the Bangladesh Chief Martial Law Administrator General Ershad will pay visit to the Indian capital on October 6 and 7.

CORRESPONDENT INTERVIEWS KASHMIR CHIEF MINISTER

Madras THE HINDU in English 21 Sep 82 p 7

[Text] Srinagar, Sept. 20.

The balding, handsome Chief Minister of Jammu and Kashmir, Dr. Farooq Abdullah, has made it clear that neither his Government nor the ruling National Conference Party could afford the luxury of a confrontation with the Centre or the Congress (I) within or outside the State.

His sincere and honest endeavour would always be to place the State's relations with the Centre on "a balanced and mature basis on all issues and avoid the type of misunderstandings which used to crop up every now and then in the recent past", Dr. Abdullah said in an interview.

"Our backward State always needs the guidance of Central leaders as well as assistance from the Central Government to rid it of our basic problems", he added.

The 45-year-old Chief Minister said he wanted to give high priority and a new direction to education so that fundamentalist tendencies were discarded by the youth.

No merger: On relations with the Congress (I), he said, he would have no objection to an electoral alliance or understanding between the National Conference, of which he is the president, and the Congress (I) for the coming elections to the 76-member State Assembly. But it was not possible for him or Mrs. Gandhi to have a merger of the two parties, even though both were wedded to the same principles and ideals of secularism, socialism and democracy.

Mrs. Gandhi, he said, was as keen on retaining the separate identity of her party in the State as he was with regard to his own party. The National Conference, Sheikh Abdullah had said in his will, "is the only guarantee of their identity and only legacy". This must be preserved.

Dr. Abdullah said it was for the Congress (I) in the State or Mrs. Gandhi to decide on the type of ties they wanted to have with his party. If the ruling National Conference and the Congress (I) could have mutual

understanding and cooperation, it was bound to weaken communal parties in the State. The State could not afford "communal" parties like the Jamait-i-Islami and its youth wing Jamait-i-Tulba and the RSS to raise their ugly head.

Dr. Abdullah made it clear that he did not have in mind the kind of cooperation from the State unit of the Congress (I) which it had offered to his father, Sheikh Abdullah in February 1975 at the time of his return after finalisation of a new accord between him and Mrs. Gandhi. At that time, the Congress party, though having an absolute majority in both Houses of the State legislature, promised unconditional support to him to take over as Chief Minister but then backed out and finally withdrew support in April 1977. This resulted in the downfall of the Sheikh Government and imposition of Governor's rule in the State. Dr. Abdullah was confident that his continued close relationship with Mrs. Gandhi would enable him to solve any problem that may be created by the local unit of the Congress (I).

"I consider myself lucky that I can seek Mrs. Gandhi's advice whenever I need it as I used to turn to my late father".

**Fight against corruption:** For an electoral alliance with the Congress (I), his only condition would be that the party should give its ticket for the Assembly elections, only to those who had a "clean record" as he himself would be doing in the case of his party candidates. He said he would not give party nomination to any of the 21 members of the Sheikh's Council of Ministers against whom there were corruption charges.

His Government has, in fact, decided to set up special courts to try corrupt Ministers, former Ministers and officials. He was also setting up a special cell in the Government to receive complaints of corruption against those in public life as well as the bureaucracy. If there was a *prima facie* case, the complaint would be placed before the special court.

Dr. Farooq Abdullah warned elements which he said, had once again started raising the demand for abrogation of Article 370 of the Constitution. These elements, within and outside the State were doing a great disservice to the country. Abrogation of the Article, which guarantees a special status to Jammu and Kashmir would be resisted by each and every Kashmiri at any cost, he said. If the Article was tampered with, divisive forces in the State might get the upper hand.

**Assembly Speaker:** The National Conference candidate Mr. A. R. Rather will be elected unopposed Speaker of the Assembly tomorrow, report UNI, PTI. Only Mr. Rather's nomination papers were received by the Assembly Secretariat till noon today, the deadline. The formal announcement will be made tomorrow.

The post had fallen vacant following the induction of Mr. Parmanand into the Council of Ministers.

CSO: 4600/1093

CPI-M POLITBURO PROTESTS ACTION ON TRIPURA

Madras THE HINDU in English 22 Sep 82 p 7

[Text] New Delhi, Sept. 21.

The politburo of the CPI (M) on Tuesday protested against the declaration of certain parts of Tripura as a disturbed area by the Union Government.

In a statement, it said the Tripura Chief Minister, Mr. Nirpen Chakraborty, had declined to endorse the Centre's suggestion that he agreed to the move.

The Chief Minister felt that "this extraordinary step would put serious obstacles in the political mobilisation of the people against the forces of destabilisation."

"Tripura is the only State in the northeastern region where separatist and divisive forces have been kept in check, mainly because of the CPI (M)'s untiring work to maintain the unity of the tribal and non-tribal people."

The politburo said the Centre had, earlier, rejected the State Government's request for a CRP battalion to assist it in maintaining law and order.

"This makes it clear that the Centre is interested in riding roughshod over the State Government rather than preserving law and order through it."

The politburo noted that the Tripura PCC (I) and its allies had been using one pretext or the other to bring the State under Central rule at least before the Assembly elections due in a few months.

"The CPI (M) had warned when the Disturbed Areas Act was passed that it would be used to curtail the powers of State Governments. This is what has been done in Tripura now against the Left Front Government of that State," it said.

CSO: 4600/1094

DELHI STATES POSITION ON STATES' POWERS

Madras THE HINDU in English 22 Sep 82 p 9

[Text] New Delhi, Sept. 21.

The Centre is not prepared to accept the Akali Dal (Longowal) plea for referring the question of States' autonomy to a Commission, because that would "open Pandora's box," as an authoritative source put it.

Through indirect hints, the Akali Dal (L), which had launched an agitation in Punjab, conveyed its willingness to resume discussions, if the Centre agreed to refer the autonomy issue as also the demand for inclusion of Punjab of Punjabi-speaking areas of adjacent States to two commissions. The Centre left the Akalis in no doubt about its negative reaction.

Apart from the fact that the present arrangement was considered satisfactory, the Centre felt that, by re-opening the issue, it would be creating fresh complications for itself, especially in relation to Tamil Nadu, West Bengal and Jammu and Kashmir.

An official note, which spelt out the Government of India's stand on Centre-State relationship said "The States are in no way dependent on the Union for the exercise of their legislative and executive authority in the sphere assigned to them if it does not infringe the sphere of the authority of the Union. The Constitution, while providing maximum possible autonomy to the State, places in the hands of the Centre adequate powers to ensure the unity and integrity of the country. The Constitution thus strikes a fair balance between the claims of the Centre and the States."

The note defended the powers of the Union to ensure compliance with laws made by Parliament, to issue directions to States in regard to maintenance of the means of communications, railways, etc. and other matters like welfare of the Scheduled Castes and instruction in mother tongue, and said: "It is essential that the Union should have the powers to give directions to the States and this cannot be termed as infringement of powers provided to the States under the Constitution. It is also the duty of the Union to protect the State against external aggression and internal disturbances and to ensure that the Government of every State is carried on in accordance with the provisions of the Constitution."

Cordial relations: Dealing with the efforts of the present Government to maintain cordial relations with all the States, it said: "maximum possible assistance to the State Governments, including financial and police personnel, has been provided by the Centre as and when needed. The Central Government has scrupulously refrained from interfering in any way with the legislative and executive authority of the State Governments in spheres assigned to them under the Constitution. The Central Government has never adopted any discriminatory or unsympathetic attitude towards any State Government irrespective of the party in power in that State."

The provisions concerning financial relations between the Centre and the State, it said, were designed with great care and circumspection and had stood the test of time. "They have enough flexibility for reconciling conflicts of interests that may arise from time to time between the Union and the constituent units. The financial jurisdiction of the Centre and the States has been demarcated on sound economic principles."

CSO: 4600/1094

ANALYST NOTES EFFORT TO PROMOTE INDO-U.S. TIES

Madras THE HINDU in English 22 Sep 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, Sept. 21.

There are various moves afoot for keeping up the tempo of improvement of Indo-American relations in the wake of the Prime Minister's recent visit to Washington.

The U.S. Secretary of State, Mr. George Shultz, will pay a visit early next year to attend the much postponed ministerial level meeting of the Indo-American joint commission.

The U.S. Vice-President, Mr. George Bush, will also be visiting India some time next year to pave the way for a visit by President Reagan himself before the end of his term.

A major Indo-American seminar is being planned for early January in connection with the Roosevelt centenary to recall his sympathy and support for the Indian independence movement. Many distinguished Indian and American scholars, including some leading U.S. senators, are expected to take part in it.

A number of U.S. business delegations are expected to visit India during the next few months to discuss the possibilities of investment and technology transfer in some of the key sectors where India is in need of foreign collaboration. The Finance Minister, Mr. Pranab Mukherjee, met several company executives and investment bankers in New York and Washington, on his way back to India from the IMF and World Bank meetings, to spell out the opportunities for more U.S. investment.

The Finance Ministry has already begun the next budget exercise with some broad projections of the steps that have to be taken to carry forward the policy of liberalisation. A lot of emphasis is being laid in official circles on better fiscal management during the next year, when inflationary pressures are expected to build up again.

The Indian and U.S. governments have lately been giving some serious thought to the removal of irksome restrictions on import-export trade by liberalising quotas and tariffs within the limits of their policies and obligations. As India's largest trading partner, the U.S. is in a position to help the country to step up its exports.

The Government of India is appreciative of the attitude adopted by the U.S. at the Toronto conferences on the question of external assistance to developing States. Despite its reservations on the aid question, the U.S. did not go out of its way to embarrass India in any way by questioning the validity of its claims to a larger slice of international assistance.

The nuclear question, no doubt, remains a recurring irritant in Indo-American relations but after passing the buck to France, the U.S. is not involving itself in the current Indo-French parleys on the safeguards issue.

CSO: 4600/1094

SUPREME COURT JUDGES ON WORKERS' RIGHTS, WAGES

Madras THE HINDU in English 23 Sep 82 p 8

[Text] The following Supreme Court dicta and observations have been culled by our Legal Correspondent from a recent judgment of the court (W.P. No. 8143 of 1981):

**W**E (the Supreme Court) may point out with all the emphasis at our command that whenever any fundamental right enacted in Articles 17 (abolition of untouchability) or 23 (prohibition of traffic in human beings and forced labour) or 24 (prohibition of employment of children in factories, etc.) is being violated, it is the constitutional obligation of the State to take the necessary steps for the purpose of interdicting such violation and ensuring observance of the fundamental right by the private individual who is transgressing the same.

Of course, the person whose fundamental right is violated can always approach the Court for the purpose of enforcement of his fundamental right, but that cannot absolve the State from its constitutional obligation to see that there is no violation of the fundamental right of such person, particularly when he belongs to the weaker section of humanity and is unable to wage a legal battle against a strong and powerful opponent who is exploiting him.

The Union of India, the Delhi Administration and the Delhi Development Authority must therefore be held to be under an obligation to ensure observance of the various labour laws by the contractors (in relation to workmen employed in the construction of various projects connected with Asian Games) and if the provisions of any of these labour laws are violated by the contractors, the petitioners vindicating the cause of the workmen are entitled to enforce this obligation against the Union of India, the Delhi Administration and the Delhi Development Authority by filing the present writ petition.

Where a person is suffering from hunger or starvation, when he has no resources at all to fight disease or to feed his wife and children or even to hide their nakedness where utter grinding poverty has broken his back and reduced him to a state of helplessness and despair and where no other employment is available to alleviate the rigour of his poverty, he would have no choice but to accept any work that comes his way, even if the remuneration offered to him is less than the minimum wage.

He would be in no position to bargain with the employer, he would have to accept what is offered to him. And in doing so he would be acting not as a free agent with a choice between alternatives but under the compulsion of economic circumstances and the labour or service provided by him would be clearly 'forced labour' (prohibited under Article 23 of the Constitution).

There is no reason why the word 'forced' should be read in a narrow and restricted manner so as to be confined only to physical or legal 'force' particularly when the national charter, its fundamental document, the Constitution has promised to build a new socialist republic where there will be socio-economic justice for all and everyone shall have the right to work, to education and to adequate means of livelihood.

The Constitution makers have given us one of the most remarkable documents in history for ushering in a new socio-economic order and the Constitution which they have forged for us has a social purpose and an economic mission and therefore every word or phrase in the Constitution must be interpreted in a manner which would advance the socio-economic objective of the Constitution.

It is not unknown that in a capitalist society economic circumstances exert

much greater pressure on an individual in driving him to a particular course of action than physical compulsion or force of legislative provisions. The word 'force' must therefore be construed to include not only physical or legal force but also force arising from the compulsion of economic circumstances which leaves no choice of alternatives to a person in want and compels him to provide labour or service even though the remuneration received for it is less than the minimum wage.

We (the Supreme Court) are therefore of the view that where a person provides labour or service to another for remuneration which is less than the minimum wage, the labour or service provided by him clearly falls within the scope and ambit of the words "forced labour" prohibited under Article 23. Such a person would be entitled to come to the (Supreme) Court for enforcement of his fundamental right under Article 23 by asking the Court to direct payment of the minimum wage to him so that the labour or service provided by him ceases to be 'forced labour' and the breach of Article 23 is remedied.

It is therefore clear that when the petitioners alleged that minimum wage was not paid to the workmen employed by the contractors, the complaint was really in effect and substance a complaint against violation of the fundamental right of the workmen under Article 23.

The Union of India in its affidavit in reply admitted that there were certain violations committed by the contractors but hastened to add that for these violations prosecutions were initiated against the errant contractors and no violation of any of the labour laws was allowed to go unpunished. The Union of India also conceded in its affidavit in reply that Re. 1/- per worker per day was deducted by the 'jamadars' from the wage payable to the workers with the result that the workers did not get the minimum wage of Rs. 9.25 per day, but stated that proceedings had been taken for the purpose of recovering the amount of the shortfall in the minimum wage from the contractors.

No particulars were however given of such proceedings adopted by the Union of India or the Delhi Administration or the Delhi Development Authority.

It was for this reason that we (the Supreme Court) directed by our order dated May 11, 1982 that whatever is the minimum wage for the time being or if the wage payable is higher than such wage, it shall be paid by the contractors to the workmen directly without the intervention of the jamadars and that the jamadars shall not be entitled to deduct or recover any amount from the minimum wage payable to the

workmen as and by way of commission or otherwise.

We (the Supreme Court) would also direct in addition that if the Union of India or the Delhi Administration or the Delhi Development Authority finds — and for this purpose it may hold such inquiry as is possible in the circumstances — that any of the workmen has not received the minimum wage payable to him, it shall take the necessary legal action against the contractors whether by way of prosecution or by way of recovery of the amount of the shortfall.

We (the Supreme Court) would also suggest that hereafter whenever any contracts are given by the Government or any other governmental authority including a public sector corporation, it should be ensured by introducing a suitable provision in the contracts that wage shall be paid by the contractors to the workmen directly without the intervention of any jamadars or thekadars and that the contractors shall ensure that no amount by way of commission or otherwise is deducted or recovered by the jamadars from the wage of the workmen.

Since it would not be possible for this (Supreme) Court to take evidence for the purpose of deciding this factual dispute (on the question of violation of other labour laws by contractors) between the parties and we (Court) also wanted to ensure that in any event the provisions of these various laws enacted for the benefit of the workmen were strictly observed and implemented by the contractors, we by our order dated May 11, 1982 appointed three ombudsmen and requested them to make periodical inspections of the sites of the construction work for the purpose of ascertaining whether the provisions of these labour laws were being carried out and the workers were receiving the benefits and amenities provided for them under these beneficent statutes or whether there were any violations of these provisions being committed by the contractors so that on the basis of the reports of the three ombudsmen, this Court could give further direction in the matter if found necessary.

We (the Supreme Court) may add that whenever any construction work is being carried out either departmentally or through contractors, the Government or any other governmental authority including a public sector corporation which is carrying out such work must take great care to see that the provisions of the labour laws are being strictly observed and they should not wait for any complaint to be received from the workmen in regard to non-observance of any such provision before proceeding to

take action against the erring officers or contractors, but they should institute an effective system of periodic inspections coupled with occasional surprise inspections by the higher officers in order to ensure that there are no violations of the provisions of labour laws and the workmen are not denied the rights and benefits to

which they are entitled under such provisions and if any such violations are found, immediate action should be taken against defaulting officers or contractors. That is the least which a government or a governmental authority or a public sector corporation is expected to do in a socialist welfare State.

CSO: 4600/1095

## IMPORTANCE OF DEFENSE COOPERATION WITH U.K. TOLD

Madras THE HINDU in English 23 Sep 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept. 22.

The British Defence Minister, Mr. John Nott, who is now on an official visit to India, has been exploring the prospects for long-term Indo-British cooperation in this highly sophisticated sphere involving the very latest technological advances.

The proposed cooperation relates not only to supply of the latest equipment and its indigenous manufacture under licence, but also research and development of the next generation weaponry involving a major breakthrough in the adaptation of micro-electronics for push-button warfare, revolutionising the very concept of modern defence.

Hitherto, the main accent has been on the acquisition and progressive manufacture of equipment in current use or in the process of being replaced by more advanced weapon systems. None of the big powers which has had a defence supply relationship with India has so far come forward with an offer to associate this country actively with the development of any new weapon.

**Long-term cooperation:** The British Defence Minister has indicated his country's readiness to embark on joint projects that would take India into the realm of push-button warfare before the turn of the century, if it is prepared to embark on long-term cooperation with Britain.

The implication is that, since any such sharing of scientific skills and pooling of technological resources would inevitably involve security problems, India must choose its friends carefully and put greater faith in them on a long-term basis without deviating from the chosen direction.

The British maintain that, though they are no longer a major military power, they nevertheless retain the ability and experience to keep abreast of other countries like the United States and the Soviet Union in the application of scientific knowledge for defence purposes.

The United Kingdom is no less advanced, it is claimed, in several key sectors that are vital for the development of new weapon systems like designing of new combat aircraft and development of missiles that can detect and destroy in-coming bombers from a distance of several hundred kilometres, high-speed naval boats for electronic warfare and field weapons of revolutionary design for use by land forces.

**Vacillation is costly:** In these days of rapidly changing strategic concepts and crippling defence burdens no country can afford the luxury of vacillating over the choice of the options open to it. India has paid dearly by delaying decisions, whatever the reasons for procrastination. The Jaguar deal is a striking example of what some defence experts have described as a good decision that got delayed for years for no valid reason and in the process lost a part of its relevance.

The IAF should have gone in for the Jaguar, so the argument runs, at least five or six years earlier and got its domestic production into stride. Instead of embarking on this deal when Britain and France were already engaged in developing much more advanced and versatile aircraft for interceptory and interdictory roles.

**Whither Jaguar programme?** The fact that more advanced aircraft were being inducted into the American and Soviet, or British and French, airforces did not make the Indian choice of the Jaguar any less relevant in its particular geostrategic context. So the whole controversy now rests on whether India should be content with the 40 fully assembled and 45 to be locally assembled Jaguars, or embark on a manufacturing programme to gain the necessary skills in the production of modern combat aircraft.

The choice that India has made but not officially announced yet, is to assemble another 31 Jaguars with partly imported and partly locally fabricated components, taking the total acquisition to 116 aircraft. It is difficult to define

at this stage the degree of "indigenisation" in the lingo of the defence production experts, but all the critical components will have to be imported from Britain.

The British Defence Minister, who had wide-ranging discussions in Delhi on the future of Indo-British defence cooperation is leaving for Bangalore tomorrow to have a look at the

high level of proficiency displayed by Indian technicians of HAL in organising the Jaguar assembly line with imported equipment. And the British Aerospace engineers feel India can assume the responsibility for producing more and more parts as the assembly of these aircraft progresses to the stage at which it could think in terms of partial manufacture.

CSO: 4600/1095

## JAMMU, KASHMIR GOVERNOR COMMENTS ON RESETTLEMENT BILL

Madras THE HINDU in English 24 Sep 82 p 7

[Text]

SRINAGAR Sept 23.

The Jammu and Kashmir Governor, Mr. B.K. Nehru has suggested to the State legislature that it amend the controversial Resettlement Bill to make it consistent with the correct constitutional position.

The Speaker, Mr. A.R. Rather read out in the House today the message he had received from the Governor.

While returning the Bill Mr. Nehru suggested that certain "unintended" consequences of some provisions of the Bill be removed.

**Legal lacunae**

The Governor said the Bill suffered from legal lacunae and was infructuous. The State had no powers to legislate in the matter.

The Law Minister, Mr. P.L. Handoo laid on the table of the House a copy of the Bill as returned by the Governor. The two Houses of the legislature had passed the Bill in their last session at Jammu.

Mr. Nehru said there were no doubt many cases of hardship of former permanent residents who, in their old age or for other family reasons, wish to return permanently to the State, who are not security risks and who had under the existing laws, not been permitted to do so.

He, however, felt it was possible that on further study, it might appear that fresh legislation for the purpose was not necessary.

Mr. Nehru said that all such cases could be dealt with under Section 5(1) (A) of the Indian Citizenship Act, 1955, the procedure under which was simple and expeditious.

"To the persons thus regaining Indian citizenship, or gaining it for the first time (as in the possible cases of wives, widows and descendants), can be restored (or granted for the first time) the rights of a permanent resident, which the State Government was perfectly entitled to do, by amendment, if necessary, of the existing laws on the subject," he said.

All such actions of amendment, even if inconsistent with the Fundamental Rights, would be protected by Article 35(A) of the Constitution.

**'Unintended consequences'**

Referring to the unintended consequences of the Bill, Mr. Nehru said the Bill, as it stood, would entitle any person who had migrated to Pakistan to return to the State (and to India) provided he satisfied four conditions namely:

(1) that he migrated to Pakistan (at any time) after March 1, 1947; (2) that he wished to come back to the State permanently; (3) that he was a State subject before May 14, 1954, or is a descendant, wife or widow of such State subject and (4) that he is willing to swear allegiance to the Constitution of India and of the State.

This simple provision, he said, would have the following consequences which the legislature did not perhaps intend:

1. Persons who may have deliberately and voluntarily migrated to Pakistan, settled there, taken Pakistani citizenship, appropriated evacuee property, served in the Pakistani civil or armed services, fought against India or committed other treasonable acts against the country can, at any time of their choosing, return to India (and to the State) and settle here "as a matter of legal right."

2. Not only the migrant but his wives, widows, or descendants who may have been born, or may hereafter be born in Pakistan and who may never have been Indian citizens (and therefore never been State subjects)— for in order to be a State subject, one has first to be an Indian citizen) will have the right for all time to come to settle in the State.

3. As the returnee has only to satisfy the competent authority that he has the "intention" to settle permanently in the State and as there is no method to keep him forcibly here, there is nothing to prevent his return to Pakistan (or migration elsewhere) when he has sold his original property (evacuee property which is being held for him by the custodian of evacuee property) or received such compensation in lieu thereof as he may be entitled to from the State.

4. As the Bill makes no provision for checking the antecedents of an applicant, it makes it possible for spies, saboteurs and

foreign agents to come and settle in the State as a matter of legal right.

5. The provisions of the Bill itself cannot in practice facilitate the return from Pakistan of those desirous of settling in the State as it is the Central Government alone which controls entry into the country.

The Bill was therefore infructuous, the Governor said.

#### Misunderstanding

He said "the Bill seems to be based on a misunderstanding of the legal and constitutional effects of Section 6 of the Constitution of Jammu and Kashmir and the second proviso to Article 7 of the Constitution of India, from which the powers to enact a measure of this kind are sought to be drawn.

The subject matter of this Bill is concerned with the following items in List 1 of the Seventh Schedule of the Constitution of India:

"Entry No. 19: Admission into and emigration and expulsion from India, passports and visas.

Entry No. 17: Citizenship, naturalisation and aliens.

Entry No. 1: Defence of India and every part thereof including preparation for defence and all such acts as may be conducive in times of war to its prosecution and after its termination to effective demobilisation.

Entry No. 10: Foreign affairs: All matters which bring the Union into relation with any foreign country."

The items lie in the exclusive domain of Parliament. The State has no powers to legislate on these subjects. This position was recognised as early as 1950 in the Constitution (Application to Jammu and Kashmir) Order 1950 and is now embodied in Section 5 of the State Constitution.

He said Section 6 of the State Constitution did not provide authority for the proposed law, as that Section "prescribes only who shall be the permanent residents of the State. It states clearly that the condition precedent to being a permanent resident of the State is that the person concerned must be a citizen of India or deemed to be a citizen thereof.

Sub-section 2 of Section 6 only confers the right of permanent residence of the State on a certain class of persons who would have lost this right but for this provision.

It does not confer on the legislature any powers to legislate on the citizenship of such

subjects, which is even otherwise beyond the domain of the State.

Mr. Nehru said that the second proviso to Article 7 of the Indian Constitution also did not provide authority for the proposed law, as the proviso must be read with the main provision and the first proviso and with the other Article of part second of the Constitution (which applies in toto to Jammu and Kashmir), namely, Article 5 to 7 which together form the corpus of the constitutional provision of citizenship.

The structure of part second is that Article 5 defines who shall be a citizen of India at the commencement of the Constitution. Under the definition in Article 5, even those who migrated to Pakistan would continue to be Indian citizens but Article 7 excludes those who migrated after March 1, 1947, from the benefits of citizenship.

The first and second provisos to that article exclude the exclusion. The effect, consequently, is that those who migrated to Pakistan after March 1, 1947, will be deemed to be Indian citizens under Article 5 at the commencement of the Constitution — January 26, 1950 — provided they return to India under a certificate of permanent return of resettlement.

In the case of the rest of India, the competent authority to grant this certificate is the Central Government. In the case of permanent residents of Jammu and Kashmir, it is the Government of that State.

The Governor has said the grant of this certificate only enables its receiver to be deemed a citizen of India by virtue of Article 5 at the commencement of the Constitution of India.

If, however, he chooses at any time voluntarily to accept foreign nationality (including that of Pakistan), he loses the citizenship of India under Article 5, which was reconferring on him by the provisos to Article 7.

Consequently, a person who has, at any time, accepted Pakistani nationality, and wishes to regain Indian nationality, cannot do so under Article 7, but must do so under a law or laws enacted by Parliament under Article 11.

Mr. Nehru had discussed the Bill with the Chief Minister, Mr. Farooq Abdullah before returning the legislation to the State legislature for reconsideration.

According to Rai Bhawan sources, he had informed the Chief Minister that he was returning it. — UNI.

REPORTAGE ON VISIT OF FRENCH FOREIGN TRADE MINISTER

Indo-French Committee Meeting

Madras THE HINDU in English 2 Oct 82 p 9

[Text]

NEW DELHI, Oct. 1.

India has proposed to France to set up units to make components and ancillaries in this country and buy back the production for its use or export to third countries. India has also suggested that France send two or three purchase missions.

The proposals were made by the Union Commerce Minister, Mr. Shivraj Patil, at the meeting of the Indo-French joint committee on economic, technical and commercial cooperation today.

The French Foreign Trade Minister, Mr. Micheal Jobert, responded by calling for more meaningful and imaginative cooperation between the two countries in the field of trade and setting up of joint ventures both in India and in third countries.

**Adverse trade balance:** The meeting discussed the whole range of Indo-French economic cooperation. Mr. Patil expressed concern over India's growing adverse trade balance with France. He wanted France to take note of the balance of payments difficulties and purchase more from India.

Mr. Patil informed the French Minister about the special provisions made for units to be set up in the free trade zones and also 100 per cent export-oriented units. He suggested that major French companies might be persuaded to avail of this facility.

Mr. Patil felt that the process of technology-transfer from France to India could be given the necessary impetus and dynamism if there was a permanent machinery for promoting it. This machinery could be provided by any

one of the existing organisations or a new one with offices in France and India. It could be provided with technical assistance by any French agency in the task of identifying the micro-sectors and potential partners for such collaborations.

**Relations with EEC:** Referring to Indo-EEC relations, Mr. Patil said there were differences in the EEC to some of India's suggestions, particularly in regard to the access to European investment bank funds, participation in projects financed by the bank and the level of EEC aid. India expected that with the growing bilateral Indo-French relations, Paris would be able to exercise a positive influence over the EEC in these matters. He urged the French Minister to look into this issue.

Mr. Jobert took note of India's views on various issues and called for a more effective implementation of the agreements entered into earlier.

It was noted at the meeting that January 1980 marked a water-shed in Indo-French relations in many ways, when many protocols were signed including the one for setting up the aluminium complex in Orissa. A number of French firms were active in this country and some major projects were entrusted to some of them even without recourse to global tender and international competition. The bilateral cooperation would begin to have significant impact in the coming two to three years. Mr. Patil said.

The French delegation will visit Bombay tomorrow and have discussions with businessmen and industrialists.

Jobert Addresses Businessmen

Bombay THE TIMES OF INDIA in English 3 Oct 82 p 10

[Text]

BOMBAY, October 2: Mr. Michel Jobert, French foreign trade minister, today assumed Indian businessmen greater economic co-operation by France. Whatever hesitancy had been experienced in the past to participate in India would disappear soon, he stated.

Addressing a luncheon meeting organised by the Indo-French Chamber of Commerce and Industry here today, Mr. Jobert said considerable

changes had taken place in France facilitating more economic co-operation between her and India.

Earlier, Mr. Harish Mahindra, chamber president, welcomed the guest and hoped for continued French interest in India. He, however, observed that the French interest in Indian private sector had been rather disappointing.

Various aspects of Indo-French economic co-operation and measures to widen the range of trade participation were discussed at the meeting between leading Indian businessmen and the 20-member French trade delegation consisting of leading businessmen and industrialists in that country. Among the several points that

figured in the discussion included a suggestion for more Indo-French efforts for third country projects.

Mr. Sohrab Godrej, chamber vice-president, while conducting the discussion, observed that the advanced, best and sophisticated French technology had not made its sufficient presence felt in India.

CSO: 4600/1098

REPORT ON RAO SPEECH TO 1 OCT UNGA MEETING

New Delhi PATRIOT in English 2 Oct 82 pp 1, 7

[Text] United Nations, Oct 1 (UNI, PTI)--External Affairs Minister P V Narasimha Rao today voiced concern at the 'increased build-up of the military presence of great powers in the Indian Ocean and called for immediate action to check the deteriorating security environment.

In his prepared address to the 37th annual session of the United Nations General Assembly, Mr Rao said that the Colombo conference should be held in 1983 as scheduled and should address itself to this question 'in a forth-right manner.'

Mr Rao said theories of balance of power were being advanced to justify the induction of sophisticated arms into the area.

The Colombo conference originally set for 1981 stood postponed at the behest of those who 'are far removed from the area' Mr Rao noted.

India also called the attention of the Assembly to the unprecedented build-up of sophisticated arms in South Asian sub-continent, unrelated either to reasonable needs or threat perceptions and said it pointed to the continuance of strategic consensus situations detrimental to regional independence and harmony.

Mr Rao, however, expressed the hope that the subcontinent would be able to usher in an era of peace which was more comprehensive than the mere absence of war and encompassed relationships of positive friendship and cooperation.

The External Affairs Minister referred at some length to the recent West Asia conflagration resulting in the virtual destruction of Beirut and the 'horrid' genocide of the Lebanese and Palestinian population and squarely placed the blame on Israel.

He told the General Assembly: "It was nothing short of a holocaust, imposed strangely and ironically, by none other than Israel. Ironically again, the withdrawal of the Palestine Liberation Organisation (PLO) from Beirut, to save innocent civilians from further suffering and devastation has itself led to the gruesome massacre of Palestinians in Chatila and Sabra. Israel's responsibility, indeed complicity, is self-evident".

Mr Rao added that those who had undertaken to protect the Palestinian and Lebanese civilians in Beirut in the wake of the withdrawal of the PLO must also share the blame for the criminal bloodshed.

The External Affairs Minister urged that the quest for a comprehensive solution to the West Asia crisis should be pursued relentlessly. Immediate steps should be taken at the UN to devise a suitable mechanism for finding a permanent solution. This was the very minimum that needed to be done in expiation of the rivers of innocent blood that had been allowed to flow in Lebanon.

#### South East Asia

Mr Rao called for the ending of confrontation in South East Asia which alone, he said, could have a welcome impact on the stability and prosperity of the entire region.

Reiterating India's stand on the Kampuchean question, Mr Rao dismissed the tripartite coalition of Prince Norodom Sihanouk as 'an alliance of convenience whose real content is too thinly veiled to need any unravelling' and said its advent should not detract their attention.

In a brief reference to Afghanistan, Mr Rao said in the prospect of success of the UN Secretary-General's effort, India felt gratified that its own approach of finding a political solution stood vindicated. India commended the commencement of the Geneva talks and hoped they would pick up momentum to enter substantive areas.

#### Non-alignment

Mr Rao told the Assembly India felt honoured to be called upon to host the next Non-Aligned summit in these difficult times. He promised that India would do all in its power to be worthy of the trust which the movement had reposed in his country.

The External Affairs Minister endorsed the UN Secretary-General's concern about the growing ineffectiveness of the UN and said it was painfully obvious that the Security Council, predicated to discharge its responsibilities stood paralysed and immobile because of the inability of the permanent members to rise above their narrow national objectives to harmonise their positions in the cause of peace.

CSO: 4600/1099

## DEFENSE PRODUCTION UNITS EXPANSION PLANS TOLD

Bombay THE TIMES OF INDIA in English 3 Oct 82 p 7

[Text] NEW DELHI, October 2.

THE defence production units, with an excellent performance recorded in the past year, are poised for expansion in the sophisticated field of electronics.

An avionics factory with an investment of Rs. 32.7 crores will be set up in Sultanpur district in U.P. This unit of Hindustan Aeronautics Ltd. (HAL) will meet the electronic requirements of the Jaguars and the light combat aircraft that may be introduced later.

The project report for the advanced avionics units was prepared more than two years ago, and West Bengal was very keen to have this unit located in the Salt Lake area. The site selection took some time and the final choice fell on Kotwa village in Sultanpur district.

Bharat Electronics (BEL) will set up two units, including one for tank-related electronics, in Garhwal district in U.P. and the other in Haryana. The two units approved by the government will involve an investment of Rs. 42 crores.

The Kanpur unit of HAL will take up the manufacture of a light transport aircraft for military and civilian uses and an armed helicopter, both with foreign collaboration.

The HAL unit in Bangalore has already assembled the first of the Jaguars and has two more almost ready, according to Mr. M. C. Sarin, secretary, defence production. The air force was satisfied with the performance of Jaguar, he said.

He told newsmen yesterday that there was a marked improvement in the profitability of HAL during 1981-82. In fact, six defence production units increased their profits from Rs. 29.5 crores in 1980-81 to Rs. 87.1 crores.

## MAZAGON DOCK PLAN

The three other units, however, made an aggregate loss of Rs. 19.2 crores, most of which was accounted for by the Garden Reach shipyards and the Mishra Dhatur Nigam which has been set up with an investment of Rs. 124 crores and is now going into commercial production.

The nine public-sector undertakings recorded an increase in their production from Rs. 483.5 crores in 1980-81 to Rs. 813 crores, an increase of 68 per cent. Of course, the performance during 1980-81 was affected by industrial unrest in some units, but the unrest continued for a month during the year under review.

Thus, mainly improved productivity and efficient management contributed to the outstanding performance during

1981-82. The exports went up from Rs. 13 crores to Rs. 24.3 crores.

In the current year, the aggregate turnover is estimated to go up further by Rs. 157 crores to Rs. 903 crores, according to Mr. Sarin.

What is significant, a large share of the production of these companies goes to the civilian sector where the competition is tougher. Bharat Earth Movers, which registered a spectacular increase in turnover from Rs. 87.9 crores to Rs. 221.9 crores, supplies very little to the defence forces.

Mazagon Dock Ltd. has diversified and undertaken construction of offshore oil platforms, saving considerable foreign exchange. The Oil and Natural Gas Commission is being supplied these at competitive prices. BEL also has several products for the civilian electronics sector. It has also entered into the space-worthy electronics production for India's space programme.

Mr. Sarin said that the three non-profit-making units were expected to do better this year. The main reason for the Garden Reach shipyard losses has been a 1975 order for three bulk-carriers for the Moghul Lines which was secured on unfavourable terms and which ate up the equity. Steps are being taken to restore the company to health.

CSO: 4600/1100

ENVOY NOTES INDIAN READINESS FOR BARTER TRADE

New Delhi PATRIOT in English 3 Oct 82 p 3

[Text] KUALA LUMPUR, Oct 2 (Bernama-Pool) — India has expressed interest in Malaysia's proposal to look into the possibility of engaging in barter trading with interested countries.

Indian High Commissioner to Malaysia Prakash Shah told a press conference here on Friday that India would be happy to explore the possibility of such trading arrangements with Malaysia.

"In principle, we would not have any objection to any request by Malaysia for such a trade. India itself has had similar ventures with other countries," he added.

Mr Shah was responding to an announcement made early this year by Malaysian Deputy Trade and Industry Minister Lew Sib Hon that the Government was prepared to consider countries which were interested in this

form of trading with Malaysia. Mr Lew had said the Ministry was making a careful study of the barter system in its efforts to upgrade its exports to the under-developed or developing countries.

On India's participation in supplying iron ore pellets and lump iron ore to the sponge iron mill in Labuan, the Indian High Commissioner said that India's state-owned Minerals and Metals Trading Corporation (MMTC) had already made a series of negotiations with the sponge iron mill authorities.

He said India was prepared to make an annual supply of 500,000 tonnes of lump iron ore and another 500,000 tonnes of iron ore pellets to the Labuan mill.

Mr Shah added that the mill had shown "interest" in the type of lump iron ore and pellet iron ore that India was keen in sup-

plying.

India is the major supplier of both types of iron ore to Japan.

Mr Shah also said that negotiation to supply the iron ore to the sponge iron project in north-eastern Malaysian state of Terengganu was underway and was progressing satisfactorily.

He said that eight joint ventures between Indian and local manufacturers were in the pipeline.

One of the joint-venture projects was between an Indian pharmaceutical manufacturing concern and the Ked Ahd State Economic Development Corporation in Sungai Petani.

Mr Shah said that a total of 29 Indian manufacturers had started joint-venture with Malaysians here since 1964.

The joint-ventures generated 660 million Ringgit (278 million Dollars) in annual turnover last year and provided employment to about 7,850 people, he added.

CSO: 4600/1102

GANDHI ADDRESSES CONGRESS-I PARLIAMENTARY GROUP

New Delhi PATRIOT in English 4 Oct 82 pp 1, 7

[Text] Prime Minister Indira Gandhi on Sunday warned as 'dangerous' steps to throw open the doors to all the aspiring immigrants to return to India sought in the Jammu and Kashmir Resettlement Bill.

Individual cases could be examined for granting citizenship, she said while questioning the validity of the terms of the Bill.

Addressing the Congress-I Parliamentary Party meeting on the eve of the Parliament's winter session commencing on Monday, Mrs Gandhi supported her arguments by the opinion of eminent jurists, including Mr N A Palkiwala, who had questioned the legal aspects of the impugned Resettlement Bill.

The so-called Kashmir Resettlement Bill which has been re-submitted to the Parliament by the government, has been referred to other neighbouring countries.

India, she said had all along exerted itself in arresting these forces of destabilisation.

In an obvious reference to the arms build-up in Pakistan, Mrs Gandhi said that the induction of sophisticated weapons posed a threat to peace.

She however stressed that India's consistent policy was to work for harmony and friendship with all neighbouring countries.

Expressing her satisfaction at the outcome of her recent visit to Soviet Union Mrs Gandhi said that it had resulted in strengthening bilateral relations and enlarging in strengthening the area of economic cooperation. Like India she said the Soviet Union was also keenly interested in promoting peace.

To safeguard peace, it was essential that no country should interfere in the internal affairs of another, India had all along stressed this point at the international forums the Prime Minister said.

turned by Governor B K Nehru, is slated for reintroduction in the State Assembly tomorrow. If it is passed again, the Governor under Kashmir's separate constitution has no option but to agree to it.

Mrs Gandhi also expressed her deep concern at the recurrence of communal trouble and asserted that the government was determined to put them down.

She said politically-motivated forces were trying to create distrust and uncertainty among the people and exhorted the party men to take initiative to combat them instead of leaving the task entirely on the government.

Mrs Gandhi also criticised the agitations whipped up by vested interests on every conceivable

issue and warned that these would only affect the government's capacity to tackle the enormous problems facing the nation.

She made special mention of the economic challenges. The financial situation at the moment was very difficult Mrs Gandhi said.

Referring to the international situation, the Prime Minister said it was getting worse because several destabilising forces were at work.

In this context, she spoke with anguish about the recent massacre of innocent Palestinians in West Beirut by Israel. She also lashed out at South Africa's armed intervention in Angola and

She referred to two major international events which India would be hosting in the next few months--the Asiad and the Seventh Non-Aligned Summit.

The holding of Asiad would add honour and prestige to this country, according to Mrs Gandhi.

As for the Non-Aligned Summit, India agreed to host it in response to the desire of most of the member countries.

CSO: 4600/1105

CPI RELEASES STATEMENT ON MEERUT VIOLENCE

New Delhi PATRIOT in English 4 Oct 82 pp 1, 7

[Text] Expressing its grave concern over the renewed outbreak of communal violence in Meerut, the Communist Party of India on Sunday attributed it to the 'utter incompetence and failure' of the district administration.

In a statement, the CPI said the administration had allowed a dispute over the ownership of

a building which was neither a temple nor a mazaar to go out of the hand and develop into a communal incident.

The statement said it was evident that the spate of communal violence was the result of the activities of the communal forces, particularly the RSS-BJP and the Jamait-e-Islami, fanned

by Congress-I MLAs leaders belonging to both the communities. The BJP, by calling for a bandh in Meerut and surrounding areas stoked the communal fire.

Condemning the 'notorious role' of the PAC, the CPI has reiterated its demand for creation of a composite police force and composite district adminis-

tration to deal with such a situation specially in areas prone to riots. "The Government has so far failed to live up to its promises and recommendations in this respect", the statement added.

Mr Sarjoo Pande, MLC, secretary, UP State council of CPI and Mr Harish Tiwary, president UP Trade Union Congress who rushed to Meerut for an on the spot study of the latest situation have also demanded "withdrawal of notorious PAC and firm action against the RSS and Jamait-e-Islami leaders to curb communal warfare and restore normal conditions".

In a joint statement they said that the 'communal riot in Meerut was pre-planned'.

They said that they will submit a report to the UP Chief Minister. Meerut is burning for the last three weeks. If the communal forces are not curbed and dealt with effectively communal disturbances are likely to spread to the neighbouring districts, they added.

Mr Harish Tiwary promised to invite representatives of CITU, HMS, UTUC, AITUC and other trade union centres and industrial federations to take stock of the situation so that the working people unitedly intervene to oppose and curb communalism.

My Syed Hashmi, MP also urged Prime Minister Indira Gandhi to visit the riot-torn Meerut to help restore normalcy there.

In a letter to Mrs Gandhi, Mr Hashmi condemned the PAC role in handling the situation.

He called for the withdrawal of the PAC force and replacing it with the Border Security Force.

CSO: 4600/1105

OFFICIAL CALLS TRADE GAP WITH FRANCE 'DISTURBING'

New Delhi PATRIOT in English 5 Oct 82 pp 1, 7

[Text] India has conveyed its concern over the continuing stagnation in its exports to France and noted that various project contracts awarded to French companies would result in a steep increase in India's imports from France.

The concern was expressed at the third meeting of the Indo-France Committee on Economic and Technical Cooperation which ended its four-day session in the Capital on Monday.

The minutes of the meeting were signed on Monday by the two co-chairmen-- French Minister for External Trade Michel Jobert and Commerce Minister Shivraj Patil.

The Indian side at the talks made it clear that since India's ability to maintain its present level of imports would be largely determined by the extent of its capacity to generate foreign exchange earnings, it was in the mutual interest of France and India that the former should examine how it could assist the latter in increasing India's exports.

In this context it was proposed that French companies, especially those looking for major project contracts in India, should be encouraged to set up production units in India with buy-back arrangement for making ancillaries components.

Later, at a press conference in the presence of the two Ministers, Commerce Secretary Abid Hussain highlighted this as the basic thrust of the discussions at the meeting. The French Minister, he informed, had advised to extend our visions far beyond trade ceilings and figures.

Answering a question if India would have to live with the deficit, Mr Jobert said the trade deficit for India was neither "worrisome" nor "catastrophic". In this context he referred to France's enormous trade deficit with Saudi Arabia as it was importing oil from that country. "But we are not making any fuss. We are not complaining to the Saudi authorities," he remarked. He said India was at an advantageous position in the sense that it would be self-sufficient in oil in the next 10 years, a prospect which was not at all bright in the case of France.

He informed that France would send purchase missions to India to identify and buy Indian products of interest to his country.

The meeting sought to identify specific areas of cooperation in various fields.

Mr Jobert said discussions on assistance by a French firm "Merieux" for setting up a polio vaccine project in India were currently continuing and the prospects of its realisation were good in view of the fact that both French President Francois Mitterrand and Prime Minister Indira Gandhi had evinced keen interest in it.

Of special importance was the light commercial vehicle project according to which leading French auto manufacturer "Renault" would collaborate with an Indian private enterprise to produce trucks which could be exported to India's neighbours after some time as an 'Indian product.'

On civil aviation, he said France was prepared to cooperate with India.

In the context of the coming visit of the French President to India, the committee tried to devise measures for establishing model relationship of North-South cooperation.

Both sides agreed to set up an Indo-French working group to promote mutual cooperation in the fields of chemical and telecommunications.

The French side indicated its interest in transfer of technology in the area of mini-computers.

Mr Shivraj Patil said that the omnibus protocol covered many fields including the transfer of technology.

CSO: 4600/1107

GANDHI MAKES STATEMENT ON RESETTLEMENT BILL

New Delhi PATRIOT in English 5 Oct 82 pp 1, 7

[Text] The Centre on Monday referred to the Supreme Court the controversial J and K bill granting citizenship to people of the State returning from Pakistan--hours after the Bill had been passed a second time by the State Legislature.

In the midst of a near unanimous demand in Parliament that the Government act speedily to check a potential threat to the nation's security and integrity, Prime Minister Indira Gandhi announced in both Houses that the President had referred the Bill to the Supreme Court for opinion on its constitutionality.

Affirming that the Bill had ramifications that went far beyond legal technicalities and immediate political consideration--the Prime Minister declared that she and the Government would never tolerate anything that posed a threat to the nation's integrity and security, 'which is paramount and overrides everything else'.

(In Srinagar, Chief Minister Farooq Abdullah declared in the Assembly that though the Bill had been passed again as it stood after being refused assent by the Governor, the Government would not implement it until the Supreme Court had pronounced opinion on its validity. The Chief Minister said the President had a right under clause (1) of Article 143 to refer the Bill to the Supreme Court. With its second passing in the legislature, the Governor can under law no longer withhold assent).

Referring to the passage of the Bill in the State Assembly, the Prime Minister welcomed the new Chief Minister's statement and his assurances. The nation, she said, was aware of the patriotism of the people of the Kashmir and of their commitment to secularism.

"We do not want to do anything which may weaken their resolve" she said in response to impassioned speeches made by members belonging to the National Conference who defended the Bill and charged that doubt was being cast on the loyalty of the people of the State. There was endeavour to have a confrontation' she said.

But, said the Prime Minister, the Bill had serious consequences which the Government could not ignore. Referring to the threat from the arming of Pakistan by the US--pointed out by many speakers--Mrs Gandhi said the Government had raised the matter with the Pakistan Government and with other Governments and peoples. The Government's concern was with India's unity, security. "We have fought for, are fighting and shall continue to fight for this unity and integrity of India--which is paramount and which over-rides everything else".

She rebutted allegations by the National Conference members that the issue was being blown out of all proportions and the Centre was playing into the hands of communalists. She said there was no substance in the argument that the Bill was designed as a humanitarian gesture towards those who had been divided from their families at Partition and wanted to come out.

"You want to stop people who want to come back to their homes to die", National Conference member Sharief-ud-din Shariq had asked.

#### Advice to Sheikh

Mrs Gandhi said the Centre had told the late Sheikh Abdullah that any individual cases would be considered sympathetically. "We do not doubt the people of the State, but want to warn them of the difficulties that may arise", she added.

As she made her statement, the Prime Minister received spontaneous and wide-ranging support from the Opposition, most of whom demanded instant Government action against the Bill, which they said would destroy Indian security by opening the floodgates to spies and saboteurs.

Members from all parties barring the National Conference assured their support to the Government on the issue which affected national security. The National Conference members, while they challenged both the Congress-I and Opposition parties on their arguments, also assured the Government of support in defence of unity and security of the country.

After she read out her statement, Mrs Gandhi answered many supplementaries from the Opposition in which members wanted to know if the Government had known about this private members Bill, and why it had not taken action well in time.

As the subject was raised during zero hour and in special mentions, members alleged that Government could have avoided a confrontation if it had acted in time. One member said the Governor need not have sent back the Bill, but could have just kept it pending.

In fact, according to Mr Advani, Dr Farook Abdullah had himself given such advice to Governor B K Nehru saying that withholding assent and forcing the National Conference to pass the Bill once again would create political problems for him (Dr Abdullah) at the beginning of his term.

Mrs Gandhi admitted that the Centre had come to know about the Bill some time ago though she did not have the exact dates. She said it came to the Government's knowledge first when the Home Ministry wrote to the then Chief Minister, the late Sheikh Abdullah, on an issue of resettlement. The Sheikh had in his reply referred to the private members' bill. The Home Ministry then referred the matter to the Attorney General whose advice was then conveyed to the State Governor. Mrs Gandhi said the Governor had taken legal advice on his own also.

She said she could not comment on the suggestion if the Governor could have just kept the matter pending. She did not agree that the Bill would have been allowed to lapse as had been mooted by some Opposition members who referred to the impending elections and the political capital that could be made out of the Governor withholding assent and sending the Bill back for reconsideration.

"I do not think that the Bill would have been allowed to lapse", she said.

Mrs Gandhi welcomed assurances of support from Opposition leaders, but said even if such assurances had not been made, she would have gone and fought alone in defence of national unity.

Mrs Gandhi earlier held consultations with Law Minister J N Kaushal, Energy Minister and former Law Minister Shiv Shankar and her Principal Secretary Dr P C Alexander and soon after, made a statement in the Rajya Sabha and then in the Lok Sabha.

In her brief statement she referred to Chief Minister Farooq Abdullah's statement on the floor of the State Assembly that under Article 143 of the Constitution of India, the President could refer the Bill to Supreme Court for advisory opinion and his assurance that the Bill would be implemented only if the Supreme Court approved it.

She said the President had decided to refer the Bill to the Supreme Court for opinion.

Mrs Gandhi said it was the Centre's information that the other legal opinion separately sought by the then Chief Minister had also supported the Attorney-General's opinion.

She did not think that the Bill would have been allowed to lapse if the Governor had not sent it back to the Assembly. Even then the matter would have been kept alive.

The Government would have to take note of statements of Pakistani writers and the fact that large quantities of weapons were being inducted into that country.

"We have been consistently talking in a friendly manner", first with Sheikh Abdullah and then with the present Chief Minister, Dr Farooq Abdullah, she said and added that the Centre had told the Sheikh that individual cases

where injustice had been done would be considered sympathetically and this was possible under the existing laws.

"We do not doubt the intention of the people of Kashmir. But if the Bill is pursued it would give rise to certain difficulties for the people of Kashmir also and not just for those in the rest of the country".

The Government was aware of communal organisation in Kashmir and other parts of the country which had been making provocative statements from time to time. These should be met politically. Such elements were active outside the country also. There were consistent efforts to appeal to individuals and groups of people.

These were questions which should be met together strongly and politically, Mrs Gandhi said.

Mr Sharief-ud-Din Shariq, National Conference member, assured the Rajya Sabha that Kashmir was and would continue to be an integral part of India. There was no reason to doubt the integrity of the people of Kashmir, who had been second to none in making sacrifices for the unity and integrity of the country, he added.

Mr P Ramamurthy (CPI-M) who rose immediately after Mrs Gandhi finished her statement said the enactment by the J and K Government was "extremely regrettable".

This would open the floodgates of India to 'spies and undesirable elements' and endanger the security of the country, Mr Ramamurthy said.

CSO: 4600/1107

## INDO-BANGLADESH JOINT COMMISSION TO MEET SOON

Bombay THE TIMES OF INDIA in English 9 Oct 82 p 1

[Text]

NEW DELHI, October 8.

THE India-Bangladesh joint economic commission (JEC) constituted yesterday is expected to meet in New Delhi early next month.

The Indian and Bangladesh leaders during their two days of talks here decide that no time should be lost in the commission launching upon its work to make up for past neglect in this important sphere of bilateral relations.

The commission, at its first meeting, will give directives to the relevant agencies of the two governments to remove the existing bottlenecks in developing trade, especially increasing exports to India from Bangladesh to remove the existing "trade imbalance."

Trade imbalance, however, is hardly the appropriate expression to describe the present state of Indo-Bangladesh trade. In the last few years, flow of goods has been almost entirely in one direction — from India to Bangladesh.

The first task assigned to the JEC is to correct this situation. The leaders of the two countries went to the extent of identifying the commodities whose export from Bangladesh to India can be increased on a long-term basis. Urea, newsprint, bitumen, wet

blue leather, special textiles are items Bangladesh can supply to India. India has been importing from distant sources these items all these years when they are available next door.

There is evidence in the joint communique issued yesterday of India's recognition of the fact that the comparatively more developed of the developing countries have a responsibility to help the others to achieve economic advancement.

India has shown keen interest in such ventures by offering to provide credits to Bangladesh to facilitate launching of such projects. It has offered to provide incentives both to private and public sector enterprises to enter into as many of such joint collaborative arrangements as possible.

The units which India has proposed for setting up in Bangladesh are a sponge iron and steel complex, cement and newsprint manufacture, gas-based products, manufacture of carriage, diesel engines for agricultural pumps, textiles and a wide range of small-scale industries products.

A secretary-level meeting of the two countries will be held shortly to review the existing trade relations with the object of expanding trade between the two countries in a more diversified field.

CSO: 4600/1109

## MAHARASHTRA MINISTRY ENLARGED, NEW ENTRANTS SWORN IN

New Delhi PATRIOT in English 13 Oct 82 pp 1, 7

[Text] BOMBAY, Oct 12 (PTI, UNI).

All the new entrants — six Ministers, seven Ministers of State and three Deputy Ministers — were sworn in by Maharashtra Governor I H Latif here this evening, expanding the Bhosale Ministry from 19 to 35.

Two other members whose names were announced yesterday — Mr Ramrao Adik and Mr Gulabrao Patil — were not sworn in while Mr Adik will be sworn in tomorrow. Mr Patil has declined to join the Cabinet as a Minister of State.

The Chief Minister has reallocated portfolios, retaining for himself, home and general administration and temporarily holding charge of finance and irrigation.

Besides Mr Bhosale and his Cabinet colleagues, among others present on the occasion were Chief Justice D J Madon, Sikhim Governor Homi Taleyarkhan, top officials of the State Government and Congress-I leaders.

Mrs Shalinitai Patil, former Revenue Minister and wife of All India Congress-I Committee general secretary Vasantrao Patil had earlier decided to join the Cabinet after consulting her husband.

Mr Gulabrao Patil, speaking at Sangli said he was firm that he will not join the Bhosale Ministry.

Asked whether he would continue as PCCI chief, Mr Patil said generally the Chief Minister and the Pradesh Congress president do not come from the same region.

Both Mr Bhosale and Mr Patil hail from western Maharashtra.

He, however, said that he did not want to link up his refusal to join the Ministry with his holding the post of the PCCI chief. "I will abide by the decision of the party high command", he added.

Besides retaining home and general administration, Mr Bhosale also holds charge of prohibition, excise, urban land ceiling, information and public relations and any other subject not specifically allotted.

In the reshuffling of portfolios, Dr V Subramanian loses finance and Mr Shivajirao Patil-Nilangekar, irrigation. Both the portfolios have remained unallocated.

The allocations for the Ministers of State and Deputy Ministers would be made later.

The following are the allocations:

Mr S M I Aseer — jails, wakf and tourism; Mr B M Gaikwad — agriculture, horticulture, labour; Mr Baliram Hiray — public health, family welfare, medical education and drugs.

Mr Surupsing Naik — tribal welfare, forests and social forestry; Mrs Sharatchandrika Patil — education, cultural affairs, technical education and training; Shivajirao Patil-Nilangekar — law and judiciary, dairy development, animal husbandry, sports, youth welfare and special assistance.

Dr V Subramanian — planning, including employment guarantee scheme, energy, transport; Mrs Pratiba Patil — urban development, housing, slum improvement, social welfare; Mr Sharatram Gholap — revenue, rehabilitation, khar lands, fisheries.

Mr Bauro Kale — cooperation; Mr N M Kamble — rural development, protocol; Mr N M Tidke — industries, legislative affairs; and Mrs Shalinitai Patil — public works employment, food and civil supplies.

CSO: 4600/1116

INDIAN-ROK TRADE TALKS IN SEOUL REPORTED

New Delhi PATRIOT in English 13 Oct 82 p 7

[Text]

SEOUL, Oct 12 (PTI) — South Korea evinced keen interest in importing India-made automobile parts during recent talks between the business leaders of the two countries here.

The talks, which got underway after several delays, focused on consolidating the economic relations and the trade balance, which is running heavily in Seoul's favour.

In a series of meetings here, during which the two delegations worked together to identify export-oriented Indian products, automobile parts and chemicals emerged as some of the new items, it was learnt.

A high-power delegation of Engineering Export Promotion Council of India left Seoul today, after concluding talks with its counterpart.

Later a spokesman of the delegation told PTI that the two sides were exploring the possibility of setting up joint ventures in India to export automo-

bile parts to South Korea and elsewhere.

A number of measures including setting up of some joint ventures are under bilateral consideration and are likely to take concrete shape when a high-power delegation of the Federation of Indian Chamber of Commerce and Industry arrives here on 17 October.

The talks between the two delegations will be followed by a meeting of the standing committee of the Indo-South Korean Joint Business Council in Seoul on 5 November.

A spate of meetings and Seoul's interest in importing more from India, are intended to balance the trade, according to a member of the Indian delegation.

It is only a tip of the iceberg says the member and would swell when the multi-million dollar contracted offshore equipment is delivered to India in the next two years.

CSO: 4600/1116

LOK SABHA PASSES IMF AMENDMENT BILL 12 OCT

New Delhi PATRIOT in English 13 Oct 82 p 5

[Text]

THE Lok Sabha on Tuesday passed the International Monetary Fund and Bank (Amendment) Bill, 1982 by voice vote after Finance Minister Pranab Mukherjee assured that the measure in no way compromised the sovereignty of the country.

Replying to three-hour debate, Mr Mukherjee forcefully denied the Opposition charge that the Government had changed its domestic policies at the dictate of the Bank.

During the debate the Opposition members said that the Bill was violative of the Constitution and it was the direct result of the Rs 5,000 crore loan from the IMF.

The Opposition members' main objection to the Bill stemmed from a provision which sought to delete the reference to certain provisions of the Income Tax Act and thus remove the existing limitation to furnishing information and data about any person (which include banks, companies, industrial units etc.) beyond a certain point to the IMF.

However, Finance Minister said there was no question of the Government compromising on its rights and its domestic policies because of the loan.

At present 90 per cent of our development outlay was from domestic savings, foreign assistance formed only two per cent of the total gross domestic product, he said and added, only 10 to 11 per cent of the total export earnings was for debt servicing.

Mr Mukherjee said information on balance of payment, prices, exchange control and regulations provided to IMF by the Government were there already in published documents.

He said the country had gone in for the IMF loan of its own volition to tide over a difficult financial situation and we have to accept certain disciplines of the Bank.

Asked whether the country was in a position to repay the loan, Mr Mukherjee said the country had not gone to IMF on 'stretcher' but stood on its own legs and it proposed to do so while repaying the instalments.

Mr Mukherjee also allayed Opposition apprehension that the Government had reduced the food subsidy at the instance of IMF.

He said though the IMF agreement was reached in November last year, the fertiliser subsidy for 1982-83 was Rs 446 crore as against Rs 586 crore in the previous year. But it was the policy of the Government to reduce the subsidy gradually. We cannot go on paving veinium for inefficiency, he said.

COMMISSION STAND ON TECHNOLOGY IMPORT TOLD

Bombay THE TIMES OF INDIA in English 11 Oct 82 p 1

[Article by L. K. Sharma]

[Text] New Delhi, October 10.

The plea for bringing technology imports under the open general licence (OGL), backed by industry and some senior bureaucrats in the commerce and industry ministries, has not found favour with the government.

It also notes that the restrictive policy on technology imports has not led to any spurt in the use of indigenous technology by Indian industry. "We have only to look at our passenger cars--their cost, their capabilities and their performance to realise that if new technology is not imported, domestic technology does not fill the vacuum."

Exchange Angle

The commission points out that often a ban on the import of technology as such results in the technology being imported on the shape of products.

Thus, a large variety of machinery items gets imported, not because the capacity to fabricate them is lacking, but because the designs, drawings and know-how are not available. This means that the country not only pays for the technology but also the hardware in which it has been absorbed.

The commission favours "a selective liberalisation of present policies and procedures which will result in the technological uplift of Indian industry and eliminate delays in the present case-by-case approach."

The commission examines the imports policy from the foreign exchange angle and says that the fear that through collusion between importer and exporter, larger payments will be made to transfer resources out of India is unfounded. It is so because, with 40 per cent tax to pay, illicit transfer can be made more cheaply through the Bombay blackmarket than through suppliers of technology.

Pleading for liberalisation, the commission says it is a fallacy to believe that a country can become self-reliant by stopping imports. Yet another

factor to be taken into account is that when industry seeks to import technology, it wants not only the fruits of research but the know-how, which is born of actual experience in factory-scale production.

The commission favours free import of drawings, designs and other technical data for producing any capital goods out of the capacity already installed in the country. It notes that much of the machine-building capacity, in the public sector mainly, is under-utilised.

CSO: 4600/1114

INDIANS REPORTEDLY EXPLOITED IN FALKLANDS WAR

Bombay THE TIMES OF INDIA in English 11 Oct 82 p 7

[Text] London, October 10 (PTI).

Britain's task force employed Indian seamen under "poor conditions" unacceptable to their British counterparts during the recent conflict with Argentina, the GUARDIAN reported.

A luxury cruise liner, used as a hospital ship during the South Atlantic war, employed 124 Asians at wages which were 15 per cent of those given to British seamen.

Only British nationals were supposed to crew British ships requisitioned by the defence ministry during the Falklands campaign, but Asians had to be employed because of poor conditions, according to the GUARDIAN.

A spokesman of the commission for racial equality (CRE) told PTI that the commission had heard of such allegations but no formal complaint had been received by it. It could consider whether a case for racial discrimination could be made out.

While the GUARDIAN described the seamen merely as Asians without mentioning their nationality, the CRD spokesman said he believed that most of them were Indians. They had been recruited outside Britain and had embarked in Gibraltar.

The Indian high commission said it had not received any formal complaint, in the absence of which it could not take up the matter with the British authorities.

The shipping line, whose ship is stated to have employed the Asians, when approached by PTI refused to comment and added that the matter was under investigation of the CRE and that it was not a party to the case.

According to the GUARDIAN telex messages from the general council of British shipping and the agreement signed by seamen joining the ship for the Falklands campaign explained why some Asians had to be retained.

"The vessel is 30 years old. Accommodation is shared and not up to present-day standards of comfort or space available...in view of above it has been necessary to retain a nucleus of Asian catering on board...".

In the current advertising for the luxury cruise liner, the customer is told, "Cabin stewards, dining saloon waiters, bar stewards, lift attendants--all behave as if the clock were turned back."

Complainants were quoted by the newspaper as having said that the shipping company was offering cruises on the pattern of the last days of the Raj, with Asians living in poor conditions on low wages.

One of complainants is said to be a former member of the executive of the National Union of Seamen (NUS) who resigned after disagreements about allegations of racialism against Asian seamen.

The NUS still collects a levy of 30 pounds per head from non-British seamen, mostly Indians, employed as cheap labour on British ships, the GUARDIAN said.

The NUS is quoted by the newspaper as having said that it would not call what happened on the ship "discriminatory". The shipping company and defence ministry were responsible, according to the NUS.

CSO: 4600/1114

CPI RESOLUTION ACCLAIMS MOSCOW VISIT RESULTS

New Delhi PATRIOT in English 10 Oct 82 pp 1, 7

[Text] The CPI Central Executive Committee has hailed Prime Minister Indira Gandhi's categorical support to Soviet President Leonid Brezhnev's declaration not to use the nuclear weapons first.

The executive in a detailed resolution on Saturday warmly acclaimed the results of the Prime Minister's recent visit to the USSR.

The CEC which concluded its deliberations after a three-day meeting in the Capital held that Mrs Gandhi's support to Brezhnev proposal "fully corresponds with the peace-loving aspirations of the Indian people" as well as other peoples threatened by a thermo-nuclear war 'at the hands of US President Ronald Reagan and his other maniacal-aides, allies and accomplices.'

The resolution noted that India had not only expressed its willingness to cooperate with the USSR in achieving the goal of cessation of the arms race, general and complete disarmament under effective international control, as well as prevention of nuclear war, "but has gone a step further on its own" to welcome the Soviet declaration as mentioned above.

Maintaining that the visit was not only of bilateral but global significance, the resolution said both the visit and the Joint Declaration issued on its conclusion constituted a new milestone in development of "relations of friendly cooperation between the largest country of the socialist community and the largest country of the non-aligned world, which is shortly going to head the non-aligned movement."

Both Mrs Gandhi and Mr Brezhnev's "resolve to continue to develop and strengthen their friendly relations" on the basis of the Indo-Soviet Treaty of Peace, Friendship and Cooperation, as mentioned in the Joint Declaration, "has given a fitting rebuff to the mischievous propagands of certain rightwing bourgeois circles that India is trying to gradually 'distance' itself from the Socialist Soviet Union in order to curry favour with the imperialist USA," it added.

"Strengthening of Indo-Soviet friendship and cooperation is not only a big factor for peace in Asia and the world, but also provides a favourable

situation for the development of our internal struggle for a better life," the resolution emphasised.

The resolution was convinced that identification of new forms of commercial relations to which both sides make a fresh commitment 'will be of immense help to the Indian economy in lifting itself out of the morass of worldwide recessionary crisis of capitalism'. Moreover, it felt that this 'simultaneously strengthens our capacity to stand up more firmly to imperialist pressure and blackmail.'

It explained that the Joint Declaration's 'grave concern' over the dangerous situation in the Indian Ocean and united demand for 'dismantling of all foreign military and naval bases in the area,' recognition of 'Mauritian sovereignty over the Chagos Archipelago, including Diego Garcia,' as well as the call for 'early implementation of the UN declaration on the Indian Ocean as a zone of peace' had knocked the bottom out of the 'bourgeois propaganda about the so-called 'super-power rivalry' in the Indian Ocean', the purpose of which is to 'cover up the real expansionist designs and actual aggressive activities of US imperialism by equating it with socialist Soviet Union which is consistently fighting for peace.'

Referring to the Declaration's demand for an end to all forms of colonialism and semi-colonialism as well as restructuring of world economic relations on a just and democratic basis and the establishment of a new economic order, the resolution laid special stress on one sentence of the document: 'Both sides favour the ensuring of fair and equitable prices for exports of developing countries.' This sentence had a particular significance for India, it held, because this country was subjected by imperialist countries to a regime of unequivalent exchange on the international commodity market throughout the second half of the seventies due to which India 'is officially admitted to have suffered a loss of Rs 5,000 to Rs 5,500 crores between 1974-75 and 1978-79' that 'compelled it to seek a loan from the IMF for approximately the same amount.'

'After the IMF loan, the situation has become even more unfavourable, inasmuch as the terms of trade with the Western capitalist countries have declined still further, and India is being pushed into a kind of 'debt-trap' in which the government is compelled to contract more and costlier and new loans in order to pay the old loans,' the resolution pointed out.

But, it said, 'relations of economic cooperation and trade between India and the Soviet Union (as also with other socialist countries) are of a fundamentally different nature.' It explained that 'based on the principles of fraternity, equality and mutual benefit, Soviet aid and trade has made 'significant contribution towards India's efforts to achieve self-reliance in various fields,' as the Joint Declaration states.'

The resolution highlighted the decision by the two sides to examine the possibilities for further expansion of cooperation in such areas as ferrous and nonferrous metallurgy, coal and oil, machine-building and power, as also the Soviet offer to build a 1,000 MW nuclear plant in India which, it noted, was already under the Government of India's consideration along with offers to build a new steel and aluminium plant and modernising and expanding some existing plants.

## SAUDIS EXTEND CONTRACT FOR STATE-OWNED BHEL

New Delhi PATRIOT in English 10 Oct 82 p 7

[Text]

Saudi Arabia has entrusted for the fourth consecutive year the operation and maintenance of their Jizan electrification scheme to the State owned Bharat Heavy Electricals Limited (BHEL), reports PTI.

The contract for electrification of Jizan region on a turnkey basis was awarded to BHEL in 1977. The Rs 75-crores contract involved construction of 42 MW central power station near Jizan town, erection of 180 kms of 33 KV transmission line and 250 kms of 13.8 KV distribution line and a network connecting 8000 consumers.

BHEL has constructed substations at Jizan, Sabya, Abu Arish, new hospital and Hudayrah. BHEL was also entrusted the operation and maintenance of two gas turbines of 15 MW each supplied by M/s. General Electric USA, according to a BHEL press release.

As a sequel to this contract, BHEL was further awarded a transmission and distribution extension project of Rs 17.5 crores of electrifying 66 villages around Jizan town. This project is now nearing completion.

The main Jizan power station was put to commercial operation in March 1980. BHEL has been successfully looking after its operation and maintenance since then.

The operation and mainten-

ance contract has been further years was valued at Rs 12.5 crores.

The operation and maintenance contact has been further extended for the fourth year valued at Rs 4 crores. Nearly 200 Indian nationals will be engaged in the operation and maintenance.

The contract was signed recently by engineer Abdullah Ibrahim Al Jrainy, deputy director general on behalf of Saudi consolidated Electric Company and Mr C N Garg, general manager on behalf of BHEL.

Meanwhile, the BHEL has earned a profit of Rs 74 million during 1981-82. Consequent on this, all the three divisions of the BHEL, Bangalore—control equipment division, electro porcelains division and the industrial system group have declared 20 per cent bonus to their employees.

After the takeover of radio and electricals manufacturing company limited (REMCO) and Mysore Porcelains Limited, two sick units of the Karnataka Government in 1976, BHEL established the control equipment division and later in 1980 merged these two units with it. BHEL also took multi-dimensional measures and diversified the product range and successfully led these industries to greater achievements, the press release added.

## SUCCESSES IN JOINT VENTURES ABROAD DESCRIBED

New Delhi PATRIOT in English 10 Oct 82 p 7

[Text] India, one of the few Third World countries to have established joint ventures beyond its boundaries, now has about 124 such ventures by the middle of the year with an aggregate equity participation amounting to Rs 39.7 crores (about 43.15 million dollars).

According to a study, most of these ventures are located in Southeast Asia and Africa and the rest rather evenly distributed in Europe, the US, South Asia, Australia and Fiji.

More than 60 additional Indian joint ventures are either planned or being implemented in 28 countries. These will have a total equity contribution by Indian capital of \$ 58 million bringing the total Indian equity investment overseas to more than \$ 101 million.

The range of products undertaken by Indian companies in joint ventures include the pulp and paper industry, paints, wool and textiles, piping for tin mines, viscose staple fibre manufacture, production of electric pumps and diesel engines and precision tools and electronics.

The partners in the Third World include Malaysia, Thai-

land, the Philippines, South Korea, Singapore, Fiji, Nigeria, Kenya, Mauritius and Indonesia.

The Birla group of companies, the largest, have an aggregate investment of \$ 9.75 million and operates in seven countries with 10 ventures. The Tata group, the second largest, has a stake of \$ 6.6 million, with four ventures in three countries.

Nine of the top 20 industrial houses operate in 35 ventures with stake of \$ 24.84 million. These comprise 57.4 per cent of Indian overseas capital.

The remaining 89 ventures form the balance of 42.6 per cent.

Of the 83 ventures under consideration, 16 account for 72.33 per cent of total equity participation, each with an average of Rs 10 million (\$ 1.08 million).

The remaining 67 ventures are much smaller, being 11 times less than the top 16.

According to the study, these ventures have an edge in countries which have labour surpluses and are capital scarce. Where the market is limited and where import-substitution forms the development strategy, these ventures have thrived.

CSO: 4600/1112

STATEMENTS OF CONGRESS-I WORKING COMMITTEE REPORTED

Statement on Elections

New Delhi PATRIOT in English 10 Oct 82 pp 1, 7

[Text]

**THE CONGRESS-I WORKING COMMITTEE HAS CALLED UPON PARTYMEN TO PREPARE TO FACE THE ELECTORAL BATTLES AHEAD IN SEVERAL STATES.**

In a statement issued at the end of a day-long review of the current national and international scene on Saturday, the CWC-I told party workers to rebuff all attempts to weaken their resolve to obtain a thumping victory in the forthcoming Assembly elections.

The Opposition parties, said the committee, had time and again demonstrated "their futility and their irrelevance to the tasks of nation-building and of economic and social development."

The Congress-I was the only party which was formulating and implementing programmes for reducing social and economic inequalities and it was fully confident of resounding victories in all the States going to the polls.

The statement called upon all secular and nationalist forces to join in a common endeavour to fight communal and divisive forces.

Seeking the cooperation of all forward-looking groups in solving national problems, the CWC-I deplored the recent communal riots in Meerut and urged all partymen and like-minded forces to combat resolutely the propaganda of hate indulged in by the RSS and other organisations.

In an obvious reference to the Khalistan movement, and secessionist campaigns elsewhere in northeast, the CWC-I said that patriotic citizens irrespective of

political persuasions should foil attempts to disrupt hard-won unity of the country. "Solutions of problems is possible only within the framework of a united country," it added.

Recalling the repeated warnings of Pandit Nehru that communalism is fascism in the Indian context, the committee called upon partymen and other like-minded forces to combat resolutely the propaganda of hate indulged in by the RSS and other organisations, adding, 'communal harmony is basic to the progress and unity of our great country.'

The CWC-I met in two sessions with Mrs Indira Gandhi presiding at the forenoon meeting. She did not attend the afternoon session as she was indisposed. She opened the forenoon discussion with a review of the national political and economic scene and the recent international developments including her recent visits to different countries.

The CWC-I also initiated a dialogue with the leaders of the States which are scheduled to go to the poll early next year. To begin with, the committee mem-

bers heard leaders from Karnataka during the day.

Contrary to hopes expressed by an AICC-I spokesman on Friday, the two top dissident Andhra Pradesh leaders, erstwhile Chief Ministers T Anjiah and S Bhavanam, did not turn up during the day. The committee members will hear leaders from Andhra Pradesh on Sunday. Afterwards, leaders from other States like Jammu and Kashmir will meet them.

**GAINS OF ECONOMY**

The committee noted the splendid performance of the Indian economy and the fresh gains recorded in 1982-83—six per cent rise in industrial production, improved efficiency in public sector and holding in check inflationary trends—but warned that "there is no room for complacency."

The committee noted with concern the adverse weather conditions in several parts of the country which might affect agricultural production. It called for successful implementation of the 20-point programme and for prudent use of scarce resources and efficient management of the economy.

The Committee said, 'Faced with the prospect of inevitable liquidation at the hands of enlightened electorate,' the Opposition had taken recourse to 'blatantly misleading propaganda' about the Congress-I. It treated this 'with the contempt they deserve.'

It said the Congress-I did not fear the campaign of 'calumny' because it had steadfastly served the people. It would continue to do so under the dynamic leadership of Mrs Indira Gandhi.

It urged all people and groups who might not wish to join the Congress-I to join in the common endeavour of strengthening national unity and to project issues in the larger perspective and to cooperate in solving national problems.

The Committee expressed its profound sympathy for those who suffered because of floods and drought and commended the efforts at relief and rehabilitation.

The Committee pointed out that the Congress-I had to prepare to face the electoral battle in several States. The Opposition parties had demonstrated time and again 'their futility and their irrelevance to the tasks of nation building and of economic and social development.'

It said that the Congress-I is the only party that was formulating and implementing programmes for reducing social and economic inequalities. The Committee said it was fully confident of its 'resounding victories' in

all the States going to Assembly elections.

A document on the deliberations of the Working Committee released by general secretaries, G. K. Moopanar and Chandulal Chandrakar was almost like a civil election manifesto reiterating the party's commitment to improve the living conditions of the poor, Harijans and Tribals, women and minorities. The commitment had been reflected in the new 20-Point Programme announced by the Prime Minister, it said.

#### POLL UNLIKELY

Organisational elections in States slated to go to polls early next year are likely to be postponed, adds PTI.

The Congress-I Working Committee at its pre-lunch session on Saturday is understood to have discussed the organisational elections, the process of which has already begun and members felt that the poll be stayed.

Prime Minister Indira Gandhi, who presided over the meeting in her capacity as the party president, is also learnt to have concurred with the view that the party elections be postponed in the States where special circumstances existed.

She may constitute a small committee of party leaders to look into this question.

A suggestion was made at the meeting that the AICC-I session should be held in December or early January.

The working committee meeting began with an address by Mrs Gandhi. She is understood to have called upon the partymen to fight divisive and communal

forces, threatening the country's integrity.

The Prime Minister reportedly told the Working Committee that she consulted Opposition parties on all important issues. She talked to them on issues like the Assam problem and communal riots.

But, she added, some Opposition parties did not see eye to eye with each other on these issues.

AICC-I general secretary Satya Narayan Rao said that the CWC-I was reviewing the economic and political situation.

Besides the Working Committee members, those who attended the meeting included, Mr Rajiv Gandhi, Mr Ramrao Adik, Mr Bhishma Narain Singh and Mr Bhagwat Jha Azad.

AICC-I general secretary G K Moopanar told newsmen on Friday that he had asked some of the Chief Ministers and PCC-I presidents to be in Delhi so that the CWC-I could have the benefit of their personal assessments of the general situation in their respective States. They would be called to the meeting only when necessary, he clarified.

When his attention was drawn to the presence of a number of Congress-I members from some States, Mr Moopanar said they might have come to apprise Mrs Gandhi of the general political situation in their respective States.

Asked whether there would be a reshuffle of the Vijaya Bhaskara Reddy Ministry in Andhra Pradesh, Mr Moopanar said it was purely the prerogative of the Chief Minister.

### Statement on Nonaligned Summit

New Delhi PATRIOT in English 10 Oct 82 p 1

[Text] The Congress-I Working Committee has expressed the hope that the non-aligned summit slated for March next year in New Delhi would give "a positive lead" and formulate a well-designed programme to resolve political tensions and economic mal-distribution in the world.

In a statement adopted at the day-long meeting on Saturday, the CWC-I said that the non-aligned movement should be strengthened and re-invigorated to play its role in restoring to tension-ridden areas "a sense of

perspective of peace and cooperation in the interest of world prosperity and welfare".

The committee welcomed the positive results of Prime Minister Mrs Indira Gandhi's recent visits to the USSR, the US, Japan, Mauritius and Mozambique. The visits the statement said, had raised India's stature in the international arena.

The visits provided an opportunity to explain the significance of India's foreign policy and its commitment to the non-aligned movement. The exchange of views

between Mrs Gandhi and the leaders of these countries had led to a wider awareness of the dangers of arms race, specially, nuclear rearmament. India's forceful advocacy of nuclear disarmament had won widespread appreciation.

The CWC-I hoped that work for strengthening policies and actions towards global peace and stability would be carried out with vigour by the great powers who have the primary responsibility in this regard.

The committee strongly condemned the brutal massacre of innocent Palestinians in West Beirut by the Israelis and reaffirmed its unflinching support to brave Palestinian people in their heroic fight for their homeland without which lasting peace in West Asia was inconceivable.

**ECONOMIC SITUATION**  
The Working Committee also voiced grave concern over the deterioration in the international economic situation, resulting in rising debt burden, large adverse balance of payments, growing protectionist tendencies and shifts in terms of trade to the

detriment of the developing countries.

It called for renewed efforts to find solutions to the problems of the developing countries by restructuring without delay the basic economic, financial and trade relationships between the developed and developing countries.

CSO: 4600/1112

RELATIONS WITH LENDING ORGANIZATIONS DISCUSSED

Calcutta THE STATESMAN in English 9 Oct 82 p 9

[Text] New Delhi, Oct. 8.--The Finance Minister, Mr Pranab Mukherjee, told the Lok Sabha that India had expressed its concern over attempts by certain countries to introduce new norms of lending by the World Bank.

In reply to a number of supplementaries during question hour, Mr Mukherjee declined to name the countries exerting pressures on the World Bank for linking the Banks lending to economic returns.

The Finance Minister said the World Bank had not changed the present norms for lending and assured Mr Madhu Dandavate (Janata) that there was no question of India accepting new conditions for lending by the World Bank. He said he was quite hopeful that the World Bank would not yield to the fresh attempts by the countries to impose new norms of lending.

Mr Mukherjee told Mr Niren Ghosh (CPI-M) that 11% of the country's export earnings went into its debt servicing of all foreign loans and not 50% as referred to by the concerned members.

Mr Mukherjee told the house that the Government was selective in recommending projects for loans from the World Bank and assured Mr Satish Agarwal (BJP) that it would be further careful in future borrowings.

The Finance Minister agreed with the BJP members that India's share in credits from the International Development Association declined from 40% to 36%. Originally, India's share in IDA credits was as much as 56%, but it, itself brought it down to 40%, recognizing the needs of other countries, he said. He told Mr Agarwal that India was not opposed to China seeking assistance of the IDA but it wanted its due share. China was not participating in IDA-6 replenishment. But it would do so in IDA-7 replenishment.

Mr Mukherjee assured a CPI (M) member, Mr Amal Dutta that the Government was doing its best to increase exports and reduce imports, the former having registered a rise of 26% so far, in the current year over the last year's performance in the corresponding period.

PTI adds: Mr Mukherjee said that as a result of the anti-inflationary measures, the annual rate of inflation in terms of the wholesale price index

had been brought down 22.5% on January 5, 1980 to 14% on January 3, 1982 and 7.6% on January 2, 1982. The annual rate of inflation was 2% for the week ending September 18, 1982.

Meanwhile, the Deputy Finance Minister, Mr Janardhana Poojary, told the Lok Sabha that the introduction of a two rupee coin and re-introduction of 20 paise coins in aluminium-magnesium alloy are among the steps to be taken by the Government to keep down the cost of manufacture of currency notes and coins. The cost of making a five paise coin is 13 paise and 17 paise for a ten paise coin.

While reducing the dimensions of the 10 paise coin as a measure of economy, the mints would continue to mint five paise coins despite its high manufacturing costs, the Minister added.

CSO: 4600/1110

PURCHASE OF ANTISUBMARINE HELICOPTERS DISCUSSED

New Delhi PATRIOT in English 29 Sep 82 p 5

[Text]

THE Defence Ministry is now finalising a deal for the purchase of new anti-submarine warfare (ASW) helicopters for the Indian Navy, reports UNI.

The British firm Westland has submitted a detailed proposal for the sale of their new version of the Sea King helicopters while the French Aerospatiale have forwarded details of their naval version of the Super Puma helicopter.

The technical rounds of discussions for the purchase of these helicopters with the two firms have been concluded.

Teams of experts from both the countries had recently visited New Delhi and besides submitting their evaluation reports, also forwarded their final financial bids to the Defence Ministry.

Defence Ministry sources said before making a final decision which is expected soon, it would take into account the performance of the Sea King helicopters in the recent Falklands war and the experience of other navies of the world with the French Super Puma helicopters.

It is understood British Defence Minister John Nott, who held discussions with the Ministry of Defence and Indian naval experts in Delhi last week had taken up the question of sale of the Sea Kings helicopters.

Westland has offered the Sea King Mark-5 helicopter which is an improvement over the previous mark version which is already with the Indian Navy.

The Sea King Mark-5 which has been ordered by the Royal Navy has an uprated engine with a very advanced radar and a super searcher and is fitted with anti-shipping missiles. The British have offered this as a Sea helicopter with the Automat missile.

The French Aerospatiale have offered the medium-sized as 33 Super Puma helicopter which is capable of anti-submarine warfare and combat against surface shipping. Both missions require twin-engined helicopters. The Aerospatiale claims these could be performed by the Super Puma which can be embarked on smaller surface vessels or can operate from the shore or from larger vessels.

The Super Puma naval version has all the features of a ship-borne helicopter, compact overall dimensions, multiple equipment capability — tail pylon and rotor blade foldings facilities, deck

harpoon, panoramic radar, sling hoist emergency floatation gear.

DEFENDING SEALANES

Sources said the French have offered the Super Puma with the Exocet missiles, the Argentine air force used the Exocet missile for sinking the British destroyer HMS Sheffield in the Falklands war and Pakistan also has the same missile.

Naval experts said "these factors are very relevant to India".

Experts said the acquisition of these helicopters was not only meant to increase the offensive capability of the navy but also to help it take up its added responsibility of defending the commercial sea lanes of the country.

They said the value of exports by India had exceeded Rs 15,000 crores annually and almost the entire cargo of 70 million tonnes is carried by sea. The navy has to ensure all ports of the country function without any outside interference and that merchant ships are safe and have freedom of movement even during hostilities.

CSO: 4600/1082

GANDHI'S APPROACH TO MOSCOW SUMMIT TALKS TOLD

New Delhi PATRIOT in English 29 Sep 82 p 5

[Text]

INDIA'S approach to world problems as an independent and nonaligned nation was brought to bear on both the summit-level discussions in Moscow and the nine-page joint declaration signed by Prime Minister Indira Gandhi and Soviet President Leonid Brezhnev, according to informed sources in the Capital, says UNI.

While India shared the Soviet concern about the danger of nuclear war—in the context of a new theory of limited nuclear war propagated in some circles in the United States—it did not endorse the various proposals put forward by the Soviet side because these were made in the context of the arms race between the US and the USSR.

India put forward its own proposals embodying a three-point plan of immediate suspension of all nuclear tests pending their complete prohibition, a freeze on existing levels of nuclear armaments and non-use of nuclear weapons. Mr Brezhnev's offer to be not the first to use nuclear weapons was welcomed as the first step to prevent the use or threat to use nuclear weapons.

In regard to the collapse of detente and the aggravation of international tension, the Soviet side sought to put the entire blame on the United States, China and Pakistan. Mr Brezhnev charged the US with itching for a confrontation with his

country, China with colluding with Washington to achieve its hegemonic ambitions in Asia, and Pakistan with trying to become a conduit of US arms to Afghan rebels and having cost its lot with the American security system, adding that New Delhi should beware of Islamabad's offer of a no-war pact.

Mrs Gandhi avoided any comment, but on China she said India was trying to normalise relations with little progress because of Beijing's stiff attitude on the border issue. But any normalisation would not be at the cost of time-tested Indo-Soviet friendship.

She recalled Mr Brezhnev's own earlier statement during the discussion that Sino-Soviet normalisation would not affect its ties with India, Mongolia and Vietnam. Pursuing the same studied stance, she also reaffirmed her Government's determination to improve relations with Pakistan despite sour experiences in the past since the destinies of the two peoples were bound together.

At least in two public meetings in the USSR, Mrs Gandhi said India wanted to avoid any collision between the two military blocs.

The main reason for India following a mid-course is that it does not envisage for itself any global role. Its basic approach is to nurture and develop further Indo-Soviet relations for mutual benefit and strengthen its efforts along with other non-aligned nations but without getting involved in cold war approach or entanglements.

The sources also drew attention to the greater stress laid in the Moscow declaration on non-interference in one country by another "in whatever form" as an essential pre-condition for co-existence of nations. This is specifically spelt out in the portions relating to South-West Asia and South-East Asia. The wording are such as to cover interference by any power—the Soviets, the Chinese or the Americans.

CSO: 4600/1082

INDIA

DETAILS OF NEW TEXTILE ACCORD WITH EEC CITED

New Delhi PATRIOT in English 29 Sep 82 p 7

[Text] Brussels, Sept 28 (PTI)--India has signed a new bilateral agreement with the European Economic Community setting quantitative limits for its textiles exports to the 10 EEC countries in a four year period ending with 1986.

The agreement was signed here yesterday.

The EEC, said in a release that the 'conclusion of this agreement with India as a major Asian textile supplier, reflects the good relations based on the India-EEC cooperation agreement, and is considered by both sides as an important achievement which will contribute to the further development of their relations.'

The agreement comprises a number of quantitative limits. It was negotiated on the basis of the multi-fibre arrangement and its protocol of extension of 22 December 1981. For all garment categories, handloom products are now also included in the agreement the European Commission said.

India, along with other major developing country suppliers had been opposing the EEC insistence on retaining unilateral decision making power to regulate the preferential textile imports and talks in June were adjourned specifically because of disagreement on this issue. Apparently, assurances have been given by the EEC that such unilateral action will be taken after due consultations with the Indian authorities. On quotas, India unlike Hong Kong cannot complain because it has woefully fallen short of fulfilling its quotas for many categories under the previous MFA.

Hong Kong, which accounts for nearly 40 per cent of the EEC textile imports from the developing country signatories to the MFA refused to accept the EEC proposals to cut its quotas--up to 12 per cent for what are called sensitive categories and also opposed vesting unilateral powers with the EEC because the MFA does not provide for any such powers. South Korea, Macao, the Philippines, Singapore, Malaysia, Indonesia, Brazil and Argentina joined Hong Kong in the walk-out. The EEC said talks with these countries have been suspended, pending a direction from the Council of Ministers.

CSO: 4600/1082

GANDHI MEETS WITH KASHMIR CHIEF MINISTER 29 SEP

Bombay THE TIMES OF INDIA in English 30 Sep 82 p 1

[Text]

NEW DELHI, September 29: A candid and confident Dr. Farooq Abdullah, on his first visit to the capital as chief minister of Jammu and Kashmir, described his 45-minute meeting with Mrs. Indira Gandhi as "nice and cordial."

Asked whether he had discussed the resettlement bill with the Prime Minister, Dr. Abdullah said: "The bill is the property of the house. The future of the bill has to be decided by the house. However, there are more pressing problems than the bill which the state is facing. I discussed some of these major issues with Mrs. Gandhi today."

Though all concerned are tight lipped, it is understood that both Dr. Abdullah and the governor of J and K, Mr. B. K. Nehru, discussed the issue of resettlement bill with the Prime Minister.

The Prime Minister also met Mr. D. D. Thakur, former state finance minis-

ter, and discussed the bill and the situation in the state, according to sources.

The Centre would like the state to government to go slow on the bill which is to be discussed during the one-day session of the state assembly on October 4. Mr. Nehru had returned the bill recently to the assembly.

Answering a question, Dr. Farooq Abdullah said he had decided to re-organise his party (National Conference) and announce the changes in a few days.

He said he was committed to seeking an early mandate from the people. A decision regarding holding fresh elections would be taken after the assembly session in the first week of October.

Dr. Abdullah also hinted that the parliamentary board of his party would also have to be reconstituted soon.

CSO: 4600/1083

'MINI-GENERAL ELECTION' PLANNED FOR NORTHEAST

Bombay THE TIMES OF INDIA in English 30 Sep 82 p 1

[Text]

NEW DELHI, September 29 (PTI). **T**HE country will witness yet another "mini-general election" with an electorate exceeding five crores slated to go to the polls to elect their representatives in five state assemblies within the next six months.

The states to elect fresh assemblies are Nagaland, Tripura, Meghalaya, Andhra Pradesh and Karnataka.

Of the five states, assembly elections in Nagaland will be held on November 10 — 18 days before the expiry of the term of the present assembly.

The present term of the Tripura assembly expires on January 23, of Meghalaya on March 13, Andhra Pradesh on March 14 and Karnataka on March 16.

According to current indications, fresh assembly elections in Andhra Pradesh, Karnataka and Meghalaya

are likely to be held towards the end of February. But a snap poll in these states in December — soon after the Asian games in Delhi — is not ruled out.

**Agartala:** The chief electoral officer, Mr. H. Das said that the state election department was fully prepared to hold the poll at any time and he expected the date to be announced soon.

Meanwhile, the chief minister, Mr. Nripen Chakrabarty, told reporters here last night that his government was waiting for the election commission's decision on the poll date.

The CPI(M)-led left front has a strength of 56 in the 60-member house. Of the four members of the lone opposition party, Tripura Upajati Juba Samity (TUJS), one subsequently joined the newly-formed Tripura tribal areas autonomous district council.

CSO: 4600/1083

## PAPER REPORTS GANDHI TALKS WITH THATCHER

Bombay THE TIMES OF INDIA in English 30 Sep 82 p 1

[Text] NEW DELHI, September 29.

**S**PECULATION over the recent moves for a new beginning in the Sino-Soviet relations figured prominently in talks between the Indian and the British prime ministers here today.

Mrs. Margaret Thatcher, who made a brief stopover in Delhi after visiting Japan, China and Hong Kong, had a 75-minute meeting with Mrs. Indira Gandhi, who also recalled her experience of the recent visit to the Soviet Union.

Mrs. Thatcher and Mrs. Gandhi discussed bilateral economic cooperation in the context of the recent visits by British business delegations and the official visit by the British defence secretary, Mr. John Nott.

Mrs. Thatcher told newsmen before her departure that she and Mrs. Gandhi had exchanged notes about their respective visits to different countries. "We had a lot of views to exchange about how our respective tours had gone."

Mrs. Thatcher said economic cooperation between the two countries was going "very well". "It is always very good to have talks with Mrs. Gandhi," she added.

Asked about the outcome of her talks in China and the future of

Hong Kong, Mrs. Thatcher said a joint communiqué issued at the end of her visit to Beijing reflected their views. She said: "We had a common aim for the prosperity and stability of Hong Kong."

Mrs. Gandhi's principal secretary, Dr. P. C. Alexander, said the two leaders while discussing major international issues, also touched upon the latest situation in West Asia. They also discussed some important bilateral economic matters.

Mrs. Thatcher expressed satisfaction at the agreement on the Rihand power station, the contract for which was being signed in Britain tomorrow. The National Thermal Power Corporation and the Northern Engineering Industries of Britain would sign the contract for the 1,000-MW. Rihand super thermal station at New castle.

The British offer to construct the power station was agreed in principle during Mrs. Gandhi's visit to Britain in March this year. The cost of the British equipment and services for the power station would be covered partly by British grants and government-guaranteed export credits.

A British consortium is also interested in offering equipment for India's new steel plant in Orissa.

An earlier proposal for getting this plant erected by this consortium had been dropped.

Mrs. Thatcher, during her discussion with Mrs. Gandhi, also referred to the agenda before the current session of the United Nations general assembly. The British prime minister suggested to Mrs. Gandhi that the non-aligned countries should not take a confrontationist posture at the world forum.

After the talks which were held over a working breakfast, the two sides described these to be very cordial. Mrs. Gandhi was assisted at the talks by Mr. Pranab Mukherjee, finance minister, and Dr. P. C. Alexander. Mrs. Thatcher was accompanied at the talks by the British high commissioner to India, Mr. Robert Wade-Grey and Mr. Coles, foreign affairs private secretary to Mrs. Thatcher.

Mrs. Thatcher was seen off by Mrs. Gandhi, Mr. Mukherjee, the foreign secretary, Mr. Maharaj Krishna Rasgotra and Dr. Alexander.

The British prime minister, who arrived shortly after midnight by a Royal Air Force plane, was received by Mr. Khursheed Alam Khan, minister of state for tourism, and Mr. Rajiv Gandhi, M.P.

CSO: 4600/1083

PLANNING MINISTER REPORTS TO PARLIAMENTARY COMMITTEE

Calcutta THE STATESMAN in English 30 Sep 82 p 1

[Text] New Delhi, Sept. 29.--Shortfalls had been noted in the energy sector and in foodgrain production and construction schedules had not been kept, while costs had been exceeded in certain industrial projects, Mr S. B. Chavan, Minister for Planning, admitted today.

Speaking to members of the Parliamentary Consultative Committee attached to his Ministry, Mr Chavan said that on the whole, the Sixth Plan had conformed to the cost and time framework. The implementing and monitoring machinery, at the Central and State levels, was being activated to ensure full and timely realisation of plan targets.

Referring to the resources position, the Minister said that compared to the original estimates, the financial resources of the Centre were expected to increase. This was mainly from higher contribution of public enterprises (Rs 615 crores), larger market borrowings (Rs 400 crores), improvement in small savings (Rs 40 crores), increased external assistance (Rs 290 crores), yield from additional resource mobilisation measures undertaken during the past two years (Rs 1,953 crores) and fresh measures (Rs 528 crores) announced during the current year.

However, these improvements were likely to be partly offset by lower estimate of receipts from current revenue (Rs 447 crores) and miscellaneous capital receipts (Rs 316 crores). For 1982-83, the budgetary deficit of the Centre was placed lower at Rs 1,371 crores compared to the last annual plan's estimate of Rs 1,539 crores and the revised estimate of Rs 1,700 crores.

In the case of the States, an increase in their resources for the annual plan for 1982-83, compared to the latest estimates for last year, is expected from market loans (Rs 122 crores), small savings (Rs 55 crores), provident fund (Rs 48 crores), term loans from financial institutions (Rs 47 crores) and yield from additional resource mobilization during the past two years (Rs 609 crores).

Against the annual plan target of additional resource mobilization of Rs 676 crores, the yield from the measures already adopted by the States was

estimated at about Rs 513 crores. The Minister hoped that the States would take adequate measures to fulfil the targets fixed under the States annual plan for the current year.

Mr Chavan apprised the members of the sectoral performance. He said that while production of sugarcane, oilseeds and cotton had recorded a substantial increase, the level of foodgrain production was below the target. Efforts would have, therefore, to be intensified to reach the target of 149-154 million tons in 1984-95 by stepping up fertilizer consumption, creating additional irrigation potential and bringing larger areas under irrigation, improving the performance of command areas and improving the flow of credit for agricultural purposes.

CSO: 4600/1084

SUGAR INDUSTRY TOLD TO IMPROVE PRODUCTIVITY

Madras THE HINDU in English 30 Sep 82 p 6

[Text] New Delhi, Sept. 29.

The Union Industry Minister, Mr. N. D. Tiwari, today called upon sugar technologists and sugarcane experts to take steps for improving the productivity of cane and reducing the cost of sugar production.

Mr. Tiwari, inaugurating the annual convention of the Sugar Technologists' Association of India, commended the sugar industry's performance this year in achieving 130 per cent capacity utilisation and making the country the world's largest sugar producer.

According to him, the production of 84.5 lakh tonnes of white sugar in the current year meant 9.27 million tonnes in terms of raw sugar, compared to Brazil's production of 8.4 million tonnes and Cuba's 8.2 million tonnes, which so far had been the first and second in the world.

Capacity to go up: Mr. Tiwari said the installed capacity was expected to go up from 64.8 lakh tonnes to 73 lakh tonnes when the 52 new factories licensed started functioning. During the Sixth Plan period more licences were being issued and the capacity would increase further.

To meet the cane needs of all these factories, he felt that cane productivity should be stepped up. The highest average yield achieved was 56.8 tonnes a hectare with an average sugar content of 12.5 per cent in some States, but the productivity had been much below the average figures in individual fields. There was thus scope for improvement in productivity through introduction of scientific practices.

Mr. Tiwari said that in the sugar factories there was scope for improvement in milling methods to extract the maximum quantity of sugar from the cane crushed.

He commended the efforts of technologists to develop low cost bagasse drier which would help reduce the moisture content of mill wet bagasse from 50 per cent to 35 per cent and increase the calorific value. Saving of bagasse, he said, would help sugar industry generate more steam and produce

surplus power which could be used to meet the power needs of ancillary units or for limited rural electrification. He also suggested greater use of bagasse for paper production.

Mr. Ranjit Puri, association president, recounted the strides taken by the industry in improving operational efficiency at various stages of conversion from cane to sugar and said that in the context of the problems the industry faced in respect of uncertain cane supply, indifferent quality of cane, small holdings of cane growers, inadequate finance, and high rates of interest one could be proud of the technical standards obtained.

The sugar industry was poised to make available raw material--bagasse--for paper industry and surplus power to be fed into the national grid. He regretted there had been reluctance on the part of the State Electricity Boards to exploit this source of power.

CSO: 4600/1085

COMMERCE MINISTER CONCERNED OVER HIGH TRADE DEFICIT

New Delhi PATRIOT in English 1 Oct 82 p 5

[Text]

Union Minister of Commerce Shivraj Patil on Thursday expressed great concern at the country's high trade deficit of Rs 5,778.72 crore in 1981-82 and said every effort should be made to increase exports in order to narrow the trade deficit, reports PTI.

Addressing the 26th annual general meeting of the State Trading Corporation of India Limited in Delhi, Mr Patil said at this critical juncture the state trading organisations in the country in general and STC in particular would have to come forward in promoting exports and utilising foreign exchange on imports in an optimal manner.

Mr Patil asked the board of directors of STC as well as its employees at all levels to pay added attention to export development and develop an export culture in the organisation.

He said STC should lay more emphasis on infrastructural assistance to its associate manufacturers and suppliers as well as on market development overseas. It should consider augmenting the country's export surplus in key areas by promoting export-oriented ventures in the country. "STC should also diver-

sify its product range and markets and evolve a long-term plan to achieve the objective of increased exports", he said and added that it should utilise its buying strength in the international markets to promote exports of agricultural and value-added goods.

Mr Patil also commended the role of STC as a canalising agency in import and distribution of essential products like edible oil, newsprint, cement, chemicals and drugs.

He said it was noteworthy that the year 1981-82 did not witness any serious shortages in those items within the country.

He said he was pleased to note that STC had achieved a record sales turnover of Rs 1,869 crores during 1981-82, which is close to 10 per cent of India's total foreign trade.

Congratulating STC for its performance, Mr Patil hoped that it would continue to maintain its leadership in the foreign trade of the country.

He noted that STC had earned a profit every year since its inception in 1956 and its total profit so far amounted to Rs 304 crores.

CSO: 4600/1086

ANALYST TELLS INDIAN VIEW ON MIDEAST PROBLEMS

Madras THE HINDU in English 21 Sep 82 p 7

[Article by G. K. Reddy]

[Text] New Delhi, Sept. 20.

The non-aligned countries, which are greatly agitated over the behaviour of Israel, are exchanging ideas on what they could do to force the big powers to stop the genocide in Lebanon.

There is sharp criticism in the non-aligned circles here that not only the U.S. but even the Soviet Union had not done much to prevent Israel from dividing and destroying a helpless neighbouring State, already hit by internal strife.

But the Arab countries which had done precious little to use their collective influence and ease the pressure on Lebanon, are in no position to accuse others for their inaction. So they are depending more on India to take the initiative in mobilising the world opinion against the savagery of the Israeli militarism.

The Prime Minister, Mrs. Indira Gandhi, has been requested to take up this issue with Mr. Brezhnev and nudge the Soviet Government to pressure the U.S. to compel Israel to withdraw from Lebanon. As the leader of a country who has been speaking out quite strongly against Israel's barbarous conduct, Mrs. Gandhi requires no prompting from other non-aligned States to voice grave concern over the macabre tragedy that is being enacted by Israel in Lebanon.

But India cannot act in isolation without the active cooperation of the rest of the non-aligned community including the Arab States. The External Affairs Minister, Mr. P. V. Narasimha Rao, will consult the Foreign Ministers of other non-aligned nations when he goes to the U.N. in a few days to attend the General Assembly session.

Indian view: The Indian view is that there is little that the non-aligned community can do in the more immediate context to make Israel behave better, unless the two superpowers are prepared to act in concert to restrain

it. But in the long term a lot could be done to make Israel feel an international outcast that has forfeited its right to be accepted as a civilised and responsible country.

As India will be inheriting the leadership of the non-aligned movement, the Prime Minister has to think from now onwards on what it should do to uphold the legitimate claims of the Palestinian people. Any resolution adopted at the forthcoming summit to assail the Israeli conduct will have to be backed by concrete steps to ensure that there would be no repetition of the same sort of senseless slaughter elsewhere in West Asia.

The Indian officials dealing with West Asia maintain that the non-aligned countries should take advantage of the deep embarrassment of the West over the outright Israeli rejection of the Arab proposals for a settlement, which are quite consistent with the American peace plan, to step up their own campaign for a reasonable solution. It is with this objective in mind that the non-aligned countries are ready to support any joint initiative by the U.S. and the Soviet Union, either through the U.N. or independent of it, to restrain Israel from further provocations.

The Prime Minister expressed her anguish at the senseless massacre of the Palestinian refugees in Lebanon, before she left for Moscow this morning. It was followed up later today with an official statement condemning the cold-blooded slaughter of innocents and calling upon all parties to the evacuation of the PLO from Lebanon to ensure immediate cessation of the renewed Israeli aggression.

CSO: 4600/1093

TEN FOREIGN FIRMS OFFER TO BUILD POWER UNITS

Bombay THE TIMES OF INDIA in English 29 Sep 82 p 6

[Text] New Delhi, September 28 (UNI).

Offers for supply of plants and building new power projects received from as many as ten developed countries and overseas companies are now being examined by the energy ministry.

The offers cover financing through government credits, suppliers credit and commercial loans, according to energy ministry sources. As most of the offers are for setting up power projects on a turn-key basis, the government will have to study them carefully before taking a final decision on a selective basis.

Firms from countries, which have made offers for setting up power projects, are West Germany, Switzerland, France, Italy, Sweden, Poland, Yugoslavia, Japan, Austria and Canada.

The spurt in foreign offers for setting up power projects in India is mainly attributed to the recession faced in the domestic economies of many of these countries. Moreover, many of them are interested in getting a share of the expanding power plant equipment market in India.

The ten offers now being examined are in addition to the two offers already accepted by the government--one from a consortium of British industries for setting up the 1000 MW capacity Rihand super-thermal power station in UP and the other from the Soviet Union for setting up the 1260 MW capacity Vindhyaachal thermal power station in Madhya Pradesh.

W. German Offer

A West German firm has offered to set up a 2000 MW thermal power station on turn-key basis at Chandrapur in Maharashtra. It is indicated that 85 per cent of the foreign exchange portion of the cost could be met from export credit, with repayment in 12 years. The local costs could be met by Eurodollar credit at interest rate of 8.5 per cent, repayable in ten years. Two units of 500 MW are suggested in the first stage of the project.

Offers from two Swiss firms contain engineering, supply of equipment, erection and commissioning of a thermal plant with maximum utilisation of local supplies and services. Export credit is to be arranged to cover 85 per cent of the cost of equipment supplies by the Swiss company.

Two French companies have offered to finance and build one large hydro-electric project and another thermal power plant with units of 500 MW each.

It is indicated that loans could be negotiated on a government-to-government basis. In this case, 50 per cent of the foreign exchange portion will be covered by government loan to be repaid in 30 years and the balance 50 per cent would be arranged through export credit to be repaid over a period of ten years after the commissioning of the plant.

It is also indicated that Eurodollar credit could be arranged for meeting the local costs of the project.

Of the two Italian offers, one suggests the setting up of a 600 MW thermal station with development of associated coalmine, supply and installation of mine equipment and power plant. The financing indicated is \$320 million suppliers credit at an interest rate of 7.75 per cent.

Further, it is also indicated that \$230 million could be arranged as market loan at an interest rate of 14.5 per cent.

The other Italian offer is made for execution of a large hydro-electric project of about 1000 MW on turn-key basis. The financing could be a mix of export credit to meet foreign exchange costs and commercial loans from international banks at prevailing market rates to cover the local costs.

The Swedish company has offered turn-key installation of a coalfired thermal power station of 400 MW. The finance of the project costing about Rs. 320 crores could consist of 25 per cent aid fund, 25 per cent soft loan and 50 per cent commercial loan.

#### Technical Aid

A Polish offer contains the setting up of a thermal plant of 210 MW or 540 MW on turn-key basis. Full financial and technical assistance for development of associated coal mines is indicated. Necessary agreement can be reached between the two governments about long-term credit arrangement for meeting the project costs.

Yugoslavia wants to supply units for thermal plants up to 300 MW. It is indicated that 80 per cent of the cost plant equipment could be arranged on credit.

A Japanese company has offered a complete package for setting up a 1000 MW power station with two units of 500 MW each. The total project cost is estimated at \$900 million. The financial package includes foreign exchange

and local costs to be covered by soft credit from the Japanese government to be repayable in 30 years and export credit to be repayable in ten years.

Austria has offered to supply equipment, erection and commissioning of a complete hydro-electric plant for the proposed Doyang project in Nagaland. Long-term loan on easy terms would cover 85 per cent of the foreign exchange costs and local costs are to be covered by Eurodollar market loan.

Canadian International Development Agency (CIDA) has identified two hydro-electric projects--Chamera 540 MW in Himachal Pradesh and 300 MW Dhauli Ganga in U.P. A mix of soft credit from CIDA and export credit is indicated in the execution of both projects.

CSO: 4600/1080

STATISTICS ON TRADE WITH U.S., USSR COMPARED

Calcutta THE STATESMAN in English 29 Sep 82 p 9

[Text] New Delhi, Sept. 28.--Despite the rise in exports of engineering goods during the past few years, India's two major trading partners, the USA and Russia, continue to use mainly primary and agricultural products from this country, while manufactured items constitute just a token amount in their import list.

Engineering goods now account for about Rs 800-crore-worth of exports, or roughly about 12% of India's total exports. Yet, the top 10 exports, both to the USA and Russia, remain traditional agricultural goods and semi-manufactured items.

In the case of the Soviet Union, the 10 major exports are rice, tea, cashewnuts, leather, cotton textiles, tobacco, woollen knitwear and hosiery, jute bags, coffee, and drugs and pharmaceuticals. Of these, only cotton and woollen textiles, jute bags and drugs come in the category of processed items.

The top 10 export items to the USA are diamonds, ready-made garments, gum, coffee, jute fabrics, peanuts, carpets and rugs, leather and leather products, marine products and precious stones. Of these, only garments and jute fabrics are processed or semi-processed items.

In value terms, total exports to Russia in 1981 were worth Rs 1,601 crores and to the USA \$1,202.1 million (roughly Rs 1,200 crores). So together, they account for nearly a third of India's total exports, much of them primary goods.

Import Items

On the other hand, both Russia and the USA export large amounts of sophisticated and manufactured goods to India (with the crucial exception of crude oil and wheat). Russia's main exports to India are crude, petroleum goods, urea, newsprint, non-ferrous metals, sulphur, asbestos, machinery and equipment, machine tools and power generation equipment.

The U.S. list of exports to India includes wheat, fertilizers, aircraft, spacecraft, specialized industrial machinery, cereal preparations,

vegetable oils, miscellaneous industrial machinery, professional and scientific equipment, metallo-ferrous ores and metal scrap and inorganic chemicals and products.

In 1981, India's total imports from Russia were worth Rs 1,277 crores--leaving a balance of Rs 324 crores in favour of India--and from the USA about Rs 2,100 crores, giving a balance of around Rs 500 crores in favour of the USA. Both together account for a third of India's total imports.

All imports from the USA are paid for in convertible currency, while those from the Soviet Union--now India's single-largest trading partner--in goods or rupees. Nearly 80% of the imports from Russia consist of crude and petroleum goods.

CSO: 4600/1081

BRIEFS

HEAVY INDUSTRY PRODUCTION--New Delhi, Oct. 2. The aggregate output of the 17 manufacturing units under the Department of Heavy Industry during the period April to August was valued at Rs. 621.06 crores, which was 22 per cent higher than their production worth Rs. 509.17 crores during the corresponding period last year. There was a striking improvement in the performance of some of the units in August. For instance, Burn Standard Company exceeded the target by 16 per cent, Bharat Heavy Plates and Vessels by 12 per cent, Bharat Pumps and Compressors by three per cent and Richardson and Cruddas by one per cent. In regard to target fulfilment, Bharat Brakes and Valves achieved 98 per cent, Mining and Allied Machinery Corporation 93 per cent, Bharat Heavy Electricals 91 per cent, HMT 90 per cent, Jessop and Company 89 per cent, Tungabhadra Steel Products 86 per cent, Lagan Jute 83 per cent and Scooters India 81 per cent. [Text] [Madras THE HINDU in English 3 Oct 82 p 6]

LOK DAL PROTEST--Calcutta, Oct 3 (UNI)--Lok Dal leader George Fernandes, MP, today protested against the early summoning of the winter session of Parliament. To call the session one and a half months before schedule only to 'accommodate' Asiad in November 'is an act of denigrating Parliament', he told newsmen here. There could not be any greater degradation of Parliament, the supreme panchayat of the country, than to subordinate its interests to a mere sports event, he said. "This is part of Prime Minister Indira Gandhi's overall design to make Parliament irrelevant. I lodge my emphatic protest against it," he added. [Text] [New Delhi PATRIOT in English 4 Oct 82 p 1]

SOVIET OFFICIAL'S VISIT--Soviet Deputy Minister for Land Reclamation and Water Management Boris G Shtepa arrived in Delhi on Monday on a 13-day visit to India, reports UNI. Mr Shtepa will attend the session of the executive committee of International Commission on Irrigation and Drainage to be held in Delhi. The session will discuss problems of protection of the environment besides exchanging views on organisation matters. Mr Shtepa said he would get himself acquainted with the irrigation and land reclamation programmes in India. He would also visit Bombay, Hyderabad and Bangalore in this connection during his stay in India, he noted. [Text] [New Delhi PATRIOT in English 5 Oct 82 p 8]

PRC ANNIVERSARY CELEBRATION--A function was held in the Capital to celebrate the 33rd anniversary of the People's Republic of China, reports PTI. Speaking on the occasion, Mr Chen Ruisheng, political Counsellor at the Chinese embassy, stressed on the need for greater cooperation between India and China in different spheres. Mr Ruisheng also outlined the existing cooperation between the two countries and underlined how China had been able to overcome its problems in recent years. The function was organised by the India-China Friendship Association. [Text] [New Delhi PATRIOT in English 1 Oct 82 p 10]

PRISONERS IN PAKISTAN--New Delhi, Oct. 8.--Over 300 Indian nationals are believed to be detained in various jails in Pakistan, the Minister of State for External Affairs, Mr A. A. Rahim, said in the Lok Sabha yesterday, reports PTI. This includes 43 defence personnel missing since the 1971 conflict, he said in a written reply to Mr Atal Behari Vajpayee and Mr Suraj Bhan. [Text] [Calcutta THE STATESMAN in English 9 Oct 82 p 9]

FIJI STAND TOLD--Prime Minister Indira Gandhi has decided not to attend the Commonwealth Heads of Government Regional Meeting (CHOGRM) scheduled to begin in Fiji on 14 October. External Affairs Minister P V Narasimha Rao will head the Indian delegation and he is leaving for Fiji on 12 October, official sources stated on Saturday. Mrs Gandhi's decision not to attend the CHOGRM comes in the wake of strains that have currently developed in relations between India and Fiji with the present Fiji Prime Minister's repeated public utterances against former Indian High Commissioner in Fiji Mrs Soonu Kochar and her husband. The Fiji Premier hurled unsubstantiated allegations against the two to the effect that they were grossly interfering in Fiji's internal affairs. The Government of India promptly lodged a strong protest against such wild accusations by the head of Government of Fiji with which India has all along desired close and friendly relations, and continues to do so. An advance party of officials led by Secretary (East) in the External Affairs Ministry K S Bajpai is leaving on Monday for Tiji in preparation for the meeting. [Text] [New Delhi PATRIOT in English 10 Oct 82 p 1]

JANATA LEADER DIES--Nagpur, Oct 9 (UNI)--Veteran parliamentarian and senior Janata Party leader H V Kamath died here early this morning following a heart attack. He was 75. Mr Kamath, a bachelor, was suffering from tuberculosis besides heart problems. Mr Kamath was admitted to the Central Railway hospital on Wednesday, three days after he arrived here. The end came at 4.40 a.m. He was cremated at Tikekar Ghat this afternoon. His nephew Mr M D Rao, Chief Engineer (Electrical) in South Eastern Railway, lit the pyre. A large number of people from different walks of life attended the funeral. Mr Kamath was a member of the Constituent Assembly from 1946 to 1949 and a member of Parliament for 12 years. [Excerpt] [New Delhi PATRIOT in English 10 Oct 82 pp 1, 7]

SANJAY MANCH PLANS--Allahabad, October 10: Mr. J. N. Mishra, secretary of the Sanjay Vichar Manch, said here yesterday that the Manch would launch a

political party early next year. He said the Manch believed in the Congress (I) ideology and principles. Asked why the Manch wanted to launch a new party, Mr. Mishra stated that Mrs. Indira Gandhi was "surrounded by non-political persons who did not give her the correct advice." He claimed that the Manch had the blessings of senior Congress (I) members. Mr. Mishra said Mrs. Gandhi had lost her grip on the administration, resulting in widespread corruption. He said Mrs. Maneka Gandhi would be presented with a purse of Rs. 50,000 by her supporters when she visits the town in the second week of November. [Text] [Bombay THE TIMES OF INDIA in English 11 Oct 82 p 22]

KRANTI RANGA PRESIDENT--Bangalore, Oct. 1.--With Mr S. Bangarappa and Mr J. H. Patel agreeing to give up presidentship of the rival factions, the steering committee consisting of members from both groups yesterday elected Mr Abdul Nazir Sab, former MLC, president of the Karnataka Kranti Ranga, founded by the late Davaraj Urs. [Text] [Calcutta THE STATESMAN in English 2 Oct 82 p 9]

PRC UNION LEADER--Beijing, October 2 (PTI): The president of the all-China federation of trade unions, Mr. Ni Zhifu, will visit India some time next year at the invitation of the Indian National Trade Union Congress (INTUC). The invitation was also extended to a politburo member by the INTUC President, Mr. Bhatt, during his current visit to China. He is leading a four-member delegation. During their stay in Beijing the delegation members had meetings with Mr. Ni and the vice-chairman, Mr. Zhu Xuefan, of the standing committee of National People's Congress (China's parliament). [Text] [Bombay THE TIMES OF INDIA in English 3 Oct 82 p 1]

CPI-M POLITBURO STATEMENT--The CPI-M polit-bureau has conveyed its concern over the continuing serious communal disturbances in Meerut and the danger of their spreading to other places in UP. In a statement on Saturday the politbureau called upon all secular and democratic forces to intervene in the situation and isolate the communal forces as well as mobilise the people to put an end to the communal riots. Referring to the fact that at least 21 persons had lost their lives and about 675 people were arrested in the wake of the communal disturbances in Meerut, the statement demanded every necessary step on the part of the UP Government "to put down the communal elements and restore normalcy, while at the same time ensuring that the common people are not wantonly victimised." [Text] [New Delhi PATRIOT in English 3 Oct 82 p 7]

CSO: 4600/1111

LAOS

SRV TROOPS SAID TO FACE SEVERE FOOD, MEDICINE SHORTAGES

Bangkok BAN MUANG in Thai 6 Sep 82 pp 1, 16

[Article: "Vietnamese In Laos Face Great Shortages, Sneak Into Thailand to Purchase Food Here"]

[Text] An investigation showed that 10 million baht was spent to make purchases. The goods were transported across the Mekong River to Ban Huai Sai.

Vietnamese troops in Laos are suffering severe shortages. They have spent 10 million baht to purchase food and medicines in Thailand illegally. The goods were smuggled across the Mekong River. An influential Haw Chinese in the locality gave support while officials tried to arrest them.

A news report from Chiang Rai Province states that the Chiang Rai [office] of the ISOC learned on 25 August that Vietnamese troops stationed in the Lao People's Democratic Republic were suffering great hardships because of the shortage of food and medicines. Thus, they had Mr Thongdi and Mr Thip Sriwilai, who are both Lao, take 10 million baht and sneak across the border to purchase consumer goods and medicines from Thailand.

From a news source, it was also learned that a Haw Chinese named Changfu Laofu helped them purchase goods by arranging to transport the goods they wanted to Ban Ton Bung in Chiang Rai Province. From here, the goods were taken by motorboat across the Mekong River to Ban Huai Sai on the Lao side.

The report also said that Region 3 Border Patrol Police have reported this to the Third Army Area. At the same time, they have sent forces to constantly monitor the activities of the Vietnamese troops.

11943  
CSO: 4207/4

EDITORIAL DISCUSSES INCREASED REVENUES, FINANCE PROBLEMS

Vientiane SIANG PASASON in Lao 8 Sep 82 p 1

['Editorial': "Be Determined to Fulfill the New Phase of Financial and Banking Obligations"]

[Text] Finance and banking is an indispensable means which we cannot do without in guiding our economic expansion. It is both a lever and a yardstick to measure the quality and efficiency of production in all economic sections.

Since 1976 our government has announced many policies concerning financial control, taxes, credit, cash, foreign currency controls, etc. We have transferred privately owned banks to government ownership. We have set up a financial and banking system from the center to many different localities. We changed Vientiane kip and circulate the Liberation Kip, and reformed the currency at the end of 1979. We have unified the salary system and implemented a new salary system in early 1980, along with a salary subsidy plan in early 1982.

Up to now the finance and banking services nationwide have made a great effort to fulfill their responsibilities. They have set the actual method to guide investment by short-term credit and long-term cash and foreign currency controls, and to widely facilitate payment without using cash in the national economic base, to maintain the normal value of the Bank Kip, and to use it as an important instrument for pushing forward in production. However, the future financial and banking goals are still difficult. The government revenue in 1985 will exceed that of 1980 by as much as 73.5 percent. This includes domestic revenue which will increase 88.2 percent, and 65.5 percent for foreign revenue. This requires that the finance and banking sections increase their role of reinforcing investment management, and to press forward on production, construction, and business for economic efficiency. In one aspect, finance and banking must be linked with production and must go through currency in order to organize and guide production, and to organize and mobilize physical labor because only production will greatly increase capital. In another aspect they must go to currency in rural and factory areas in order to control and return cash back to the bank. This is because the rural areas are a primary base that functions in serving and expanding production in factories and many different agricultural organizations. It is a source of capital from production. The most important matter is direct and regular guidance in the [same direction] along with the party committee and administrative authorities of all levels with respect to finance and banking. Cadres and the party committee must be up to date and have a deep understanding of the significant role of finance and banking. They must consider it an indispensable tool for guiding economic expansion.

To ensure the success of the financial and banking business, we all must pay attention especially to balancing savings and expenses, which is one of our party and government's big plans. Meanwhile, our actual duty is to strongly press forward in production, increase production ability, and to save in production and consumption. In order to accumulate savings [we should] mobilize the use of domestic ally produced goods and limit imports. All these are primary elements in gloriously advancing and succeeding in the new phase of our finance and banking.

9884

CSO: 4206/2

CHAMPASSAK-STUNG TRENG TWIN PROVINCE RELATIONSHIP DESCRIBED

Vientiane SIANG PASASON in Lao 8 Sep 82 pp 3, 4

[Article: "Champassak-Stung Treng Friendship Store"]

[Text] In the midst of a joyous atmosphere the parties, armies, and the people were all emulating each other to make the plenum of the Third Congress of the LPRP become reality. There was also a brand new achievement to greet the upcoming seventh anniversary of National Day on 2 December. In Champassak Province of the LPDR a new event has occurred concerning the relationship with its twin province, and Champassak Province has made a lofty resolution in carrying out its international duty toward its friend and twin province of Stung Treng of the PRK. In the past 3 years it has done and is continuing to do all it can to sincerely help its friend in moral support and materials, especially in 1981-1982 when Champassak Province helped in repairing a big store for its twin province Stung Treng at no charge. It was started on 5 June 1981 and finished on 22 July 1982. On the afternoon of 14 August 1982 at the store that had been repaired in the middle of the municipal area of Stung Treng Province there was a ceremony to officially transfer the shop. There were decorations of Lao and Kampuchean flags and slogans written in Lao and Cambodian. In general this represents the special solidarity between Laos and Kampuchea, and specifically it represents the solidarity between Champassak and Stung Treng Provinces.

The honored Lao guests at the ceremony were Mr Thongin Thammakot, assistant secretary of the party committee, and chairman of the provincial administration committee of Champassak Province, and those in the Champassak Province delegation who attended the ceremony. As for the Kampuchean delegates, there was Mr Khamphan Thivong, assistant chairman of the provincial administrative committee of Stung Treng Province, along with the party committee, the administrative committee, different service chiefs subordinate to Stung Treng Province, and over 1,000 people from Stung Treng Province.

In the glorious ceremony Mr Khampheuy, committee chief of Champassak construction, read a report on the achievement. He said that the repairs on this store started on 5 June 1981 and were completed on 22 July 1982. The width is 25.40 meters, and the length is 26.40 meters. All together there are 7 rooms, and the repairs totalled 661,146.99 kip.

After that Mr Thongin Thammakot, the party's assistant secretary and also the chairman of the Champassak Province administrative committee, and Mr Khamphan Thivong, assistant chairman of the Stung Treng Province administrative committee, took turns giving speeches to give and accept the store. Both of them pointed out the close solidarity between the people of Laos and Kampuchea as well as between the people of the twin provinces of Champassak and Stung Treng. Mr Thongin Thammakot said that in order to maintain the fine heritage of friendship in the special militant solidarity of the three nations in Indochina in general, and specifically Laos and Kampuchea, and Champassak and Stung Treng, we signed our agreement of friendship and cooperation on 17 March 1980, and the relationship has been improved. The communication and cooperation between the two provinces has borne fruit. Even though our enemies have tried to separate these two nations and provinces, their tricks have always been destroyed by the people of the two provinces of the two nations. Based on the spirit of proletarian internationalism and the special solidarity Champassak Province has made an excellent decision in carrying out its internationalist duty toward our friend Stung Treng Province. The repair of this shop was a fruit of our special solidarity. It was an action to steadily and solidly increase the special solidarity. Meanwhile, Mr Khamphan Thivong on behalf of the party committee, the provincial administrative committee, and the people of Stung Treng made a speech in which he proudly accepted the store to the applause and approval of the masses who attended.

On the evening of the same day a joyous atmosphere was provided by the Champassak performing arts. The rhythm and style of dancing shows the heritage of solidarity and friendship between Champassak and Stung Treng Provinces that has existed since long ago.

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CSO: 4206/2

EDITORIAL NOTES TRAINING OF JUDICIAL PERSONNEL, MENTIONS CONSTITUTION

Vientiane SIANG PASASON in Lao 4 Sep 82 pp 1, 2

[Editorial: "Intensify the People's Democratic Administrative Power"]

[Text] Our administrative power is of the people, from the people, and for the people. It is a tool to bring about the exercising of the right of ownership of the workers in order to carry out the two strategic duties of the party: the protection and construction of the nation. Administrative authorities at all levels should increase and strengthen all of their tools of dictatorship including the improvement and building up of national defense, the public security forces, judicial organizations, etc. This is to carry out measures of dictatorship toward enemies, to guarantee the workers their democracy, and to maintain order in the country.

Meanwhile, administrative authorities of all levels are also obligated to increase the number of organizations responsible for building up and controlling the economy, expanding culture, protecting society, etc, taking no aspect lightly. However, the economic movement is a base for other movements, and should be considered especially important. Besides the work mentioned, in order to reinforce and expand the legitimacy of our revolutionary administrative power we still must move quickly to increase many works, e.g., socialist laws, forming a socialist constitution, and increasing propaganda and training techniques so that cadres, party members, and the people can understand the different kinds of laws they are presently carrying out and seriously carry them out with high awareness.

Another important problem is to build and facilitate schools for training and improving cadres who are involved in administrative power as well as control cadres, such as training and improving cadres who are responsible for important and primary duties in the administrative committees, public prosecutor courts, inspection organizations, and the administrative committee staff office sections. This is to form and improve the inspection organization under many levels of the administrative committee, and to assign duties for all mass organizations, labor union members, youth union, and women in order to perform their roles of inspection, to control and protect the administrative authority, and economic and cultural organizations. This is to give administrative authorities of all levels a strong mechanism and efficient cadres, and also to help the administrative authorities carry out their duties effectively.

However, in order to intensify the people's democratic administrative power while at the same time building up and effectively improving the administrative authorities of all levels, we still have to determinedly resist the disease of privilege of those who abuse their power, are greedy and extravagant, and who also violate the people's rights of collective ownership. This is because these diseases are all against our new regime, and they also serve to distance our administrative authorities from our people. This does not serve the people, and we will not be able to carry out the strategic duties in the transformation and construction of our socialist party and government.

Therefore, the building up and improvement of administrative authorities at all levels to be clear and effective is considered necessary for the new phase of our revolution. We all must strive to protect and encourage our administrative authorities to advance and be strong in all aspects.

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CSO: 4206/2

ELECTRICITY PRODUCTION, EXPORTS, DOMESTIC EXPANSION DESCRIBED

Vientiane SIANG PASASON in Lao 4 Sep 82 p 2

[Article: "Electrification Is Being Expanded to Production Bases"]

[Text] Electricity is an important [source of] energy for production and is also an indispensable demand in society. With this in mind, cadres and workers of the Lao State Electrification Enterprise attentively and actively carry out their work.

Comrade Mouy Maokhamphieu, assistant chief of statistics and planning for the Lao State Electrification Enterprise, told us that in 1982, according to the plan, the Lao State Electrification Enterprise will try to produce 798,585,910 kWh including 89,128,000 kWh for domestic use and 667,617,000 kWh for export.

After actively and creatively doing the actual work in the first 6 months of this year, they were able to produce 402,808,300 kWh of electricity, 40 percent over the plan. Of this, 47,128,000 kWh was used domestically as planned, and 326,699,000 kWh were exported, 19 percent over the expected level.

For the second 6 months of this year, according to the plan they will have to produce 464,461,414 kWh of electricity, including 42,000,000 kWh which will be used domestically and 394,922,850 kWh for export. In only 9 months of carrying out the plan they were able to produce 77,983,800 kWh, 16 percent over the monthly plan. Of this, 9,030,000 kWh was used domestically and 63,798,000 kWh was exported.

At the same time, production cadres and workers of the Lao State Electrification Enterprise also attentively took care of machines to guarantee their normal operation.

As for the expansion of electricity to serve rural areas, Comrade Mouy Mouankhamphieu said that in 1982 they expanded electricity into the Na Phok [rice strains] center of Settlement 23 Veunkham. In the City of Vientiane alone 5 km of high voltage electric network was added. In the rural electricity project they are now extending electricity into Nasaithong and Toulakhom Districts, and in Toulakhom District alone the installation of poles was completed.

Up to now in Vientiane Province and Vientiane Capital alone, electric power has been installed to run approximately 30 water pumping stations which ensure thousands of hectares of agricultural production.

The expansion of electrification is important for economic expansion as well as for increasing the standard of living of society in our country, in order to ceaselessly advance along the path to socialist construction.

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CSO: 4206/2

COMMENTARY URGES URGENT REPLANTING, NOTES MEASURES TO GUARANTEE CROPS

Vientiane VIENTIANE MAI in Lao 27 Aug 82 p 2

['Talking Together' Column by S. Thibthiangchan: "Carefully Look After the Wet Rice Paddies"]

[Text] Up to now farmers in many localities throughout Vientiane Capital have completed much of their wet rice paddy planting. We can almost say that 95 percent of the whole area has been completely planted. Normally our wet rice paddy season does not last to the end of August as it has this year, but because of weather conditions such as the drought which occurred in the middle of the rainy season this situation has dragged on and prolonged the farmers' planting season until now. However, it is not yet considered late, and this month's rains are most useful to our farmers. It is most important that our farmers now must be feverishly and attentively planting. They must hurriedly put all their energy and vehicles into finishing their planting before the end of August. If the situation drags on such as seeds having to be resown they must finish planting by early October. The most important thing is not to leave any areas empty by not putting in any rice plants. For this matter the administrative authorities must attentively inspect ricefields in each place with the people. For example, districts must cooperate with cantons, leading production units in inspecting and guiding, and leading the people to increase their attention to finish their wet rice season planting promptly in line with conditions. The planting must be done over absolutely the entire area. This means that no ricefields will be left empty. Wherever there are empty ricefields [the authorities] must guide and lead the people to replant. Another thing is to seek short-term seed rice such as mixed strains or short-term local strains. Agricultural cadres must be the primary driving force in solving this seed rice problem for the people. As for the [planting], an entire village can form itself into one unit, a labor solidarity unit or a labor exchange unit. Private and scattered techniques should be avoided because the labor does not meet the needs and will lead to delays in planting. One thing we should pay special attention to is the sowing technique to ensure fast planting and healthy and strong young plants. The agricultural service must send its specialized task cadres to guide the people in the localities for which they are responsible. They must use the new advanced scientific production system, otherwise it will not guarantee good crops.

Besides the planting problem, another important problem farmers should pay attention to is to insure that the rice plants are of good quality. First of all they must increase their energy to protect the plants such as by weeding, maintaining the water system, keeping out pests, worms, insects, crabs and livestock. They must pay special attention to applying fertilizer, either chemical or traditional fertilizer. Concerning the use of fertilizer, the agricultural service besides being the ones who provide equipment such as chemical fertilizers to respond to the needs of the farmers must also be the driving force in guiding and leading the people to do it. For example, what kind of traditional fertilizer should be used? What chemical fertilizer should be used? When, and how? This is because most of our farmers are used to engaging in rice farming the natural way which they know best, and are superstitious. They engage in rice farming without any calculation. This is very harmful in delaying the expansion, and contradicts modern advanced technology and science.

The local administrative authorities are obligated to mobilize and lead the people to do the actual work; they must increase their mobilization and propagandize widely and deeply, encourage production forces especially conversion to agricultural co-ops, encourage and improve the existing agricultural co-ops, and make them an example to effectively persuade the people and farmers to join and convert to agricultural co-ops. Based on the set plan, we should especially guarantee the figures set for Vientiane Capital this year, i.e., to make the expected rice production figure of 105,000 tons for all wet rice paddies, dry season rice, and swidden rice.

Reinforce the production forces by paying attention to the season for dry season rice for the people. Especially pay attention to agricultural co-ops and cultivation areas to ensure a production of from 2.5 to 3 tons per hectare. It must be at least 3 tons wherever there is an irrigation system. Conduct emulation within each canton and village. Cadres must attentively contact production bases. They must inspect, and lead seriously in the bases. As for dry season rice, in the coming season for dry season rice they must put all their ability onto farming the entire area and into the efficiency of the irrigation system. In the case of the actual production there must be a calculation of the age of the wet rice paddies, i.e., figure out the time from the day of planting until the harvest day, and replant immediately after the harvest. There must be advance preparation to sowing seeds, and rice must be planted twice a year or three times a year (production seasons).

The administrative authorities must be concerned with the standard of living of the people. They must clearly accept that happy and prosperous people are cadres. Thus, our cadres must be a strong driving force. They must convert all work into the production bases, and encourage and lead the people to attentively increase their production, cultivation, and animal husbandry. This time they must pay attention to planting and take care of the plants in order to make the expected figures a reality.

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CSO: 4206/3

DIFFICULTIES WITH COFFEE PRODUCTION NOTED

Vientiane VIENTIANE MAI in Lao 4 Sep 82 pp 1, 4

[Article: "Coffee Factory Starts to Produce Again"]

[Text] Because of some problems with raw materials which at one time did not meet the needs of the factory, the factory temporarily halted its production; however, at the present time it is back to its normal operation.

Comrade Phouthon Nalat, acting chairman of the board of directors of the coffee factory, which is subordinate to the industrial, handicrafts, and forestry section of the capital, told VIENTIANE MAI that now the production of the coffee factory has been back to its normal operation since 1 September 1982. Comrade Phouthon said the reason for the temporary halt was because the raw materials could not meet the needs in time. This caused some difficulties and the production stopped. It does not mean that business stopped completely, but only that a small amount was produced. The primary cause of the problem was the raw materials which the factory bought from the Lao Trade Corporation. The plan for 1982 production is as much as 60 tons. These 60 tons will be ready-made coffee. The purchase plan for the coffee beans was expected to be 86 tons, but now it has not met the needs. Comrade Phouthon continued by saying that now the Lao Trade Corporation attentively rushes to send dry coffee beans to the factory in order to make the expected plan become reality.

As for the distribution of the factory production which is ready-made coffee, previously as well as now it is distributed all over the province and the capital by the trade service. Moreover, it also responds to the needs of offices, organizations, and companies. The present level of production would be 500 kilograms per day if the raw materials met the need.

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CSO: 4206/3

## UN ASSISTS IN RICE MILL CONSTRUCTION

Vientiane VIENTIANE MAI in Lao 31 Aug 82 p 2

[News Column by Saban Dongden: "Modern Rice Mill Construction in Sanakham District"]

[Text] Everyone knows that Sanakham District which is subordinate to Vientiane Province with its border adjoining Sayaboury Province is well known as a land of plentiful food. It is not less so than in other areas that are considered plentiful. In terms of rice the Sanakham District people have never heard the word "hunger."

Of course, the flat land surrounded by mountain ranges is indeed plentiful. So when the country was liberated the party and government could see the significance of this district as a complete rice and water granary and a land of rice production. Thus the modern rice mill construction project became reality.

Comrade Silia of the committee responsible for this modern rice mill construction in Sanakham District told us that this modern rice mill was being built in the name of Vientiane Province and Capital with the funding assistance from the United Nations' UNICEF organization in which gave the actual capital in the amount of 160 million kip. This rice mill is completely equipped with modern machinery. It is able to produce a total of 16 tons of rice per day. The entire construction is the responsibility of the Lao Vieng State Enterprise Contractors; it will take 8 months for the construction and 2 more months to install a complete set of machines. This means it will take 10 months for the construction and machine installation to be complete. There were also the party committee, and the district administrative committee along with the contracting committee, and it was especially the party committee and the provincial administrative committee who have given close guidance and encouragement and have helped to make this construction a reality as planned. The Sanakham District administration committee itself fully facilitated the construction such as at the construction site, the construction workers' living conditions, places to stay, and their welfare. Meanwhile, they also assisted in giving lumber, gravel, sand and other construction materials.

At the present time the actual construction has been carried out dealing with surveying, soil testing, digging for reinforced concrete for the poles, and finishing the repair of residences as normal. Construction materials such as

steel, cement, and roof tiles were brought to the construction site, and other equipment will arrive gradually.

The purpose of this rice mill is to mill rice bought directly from the people in Sanakham District. It will get the rice paid as agricultural tax to serve as Sanakham District's food supply and for supply to Vientiane Province and capital. These significant products will create a new face and a new atmosphere for Sanakham District. Under the old regime none of the ruling administrators or any level of reactionary power ever mentioned this district's name. Now the administrative authorities clearly can see the importance of Sanakham, a district of Vientiane Province, that has a plentiful food supply, especially rice. The higher echelons have encouraged and planned this rice mill to make it become reality. When it is finished it will give farmers all over Sanakham District a new step and face; in particular, it will increase production, especially of rice. It will make Sanakham District an example for rice growing, encourage the progress and an increase in the standard of living for the people, and give the people of all nationalities and races all over this district new bright faces and let them step up to be side by side with the Lao people in other areas all over the new Laos.

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CSO: 4206/3

VIENTIANE MEAT PRICES POSTED

Vientiane VIENTIANE MAI in Lao 9 Sep 82 p 2

[Circular No 990/VCFC]

[Text] To: All ministries or equivalents, departments, units, hospitals, schools, factories, communal dining rooms, companies, and various state enterprises subordinate to the center and Vientiane Capital.

Subject: Changes in prices of meat, fish, and other kinds of food in two categories, the state administrative price and the state enterprise price.

Pork:

1. pork meat	45 kip per kilo
2. bacon	40 kip per kilo
3. cutlet	45 kip per kilo
4. lard	25 kip per kilo
5. liver, stomach, heart, vermiciform appendix	45 kip per kilo
6. organs (lung, intestine)	30 kip per kilo
7. bones, heads, feet, ribs	20 kip per kilo

Fish:

1. pa nang [translation unknown]	25 kip per kilo
2. carp	22 kip per kilo
3. small carp	12 kip per kilo

Sell and distribute to corporations and state enterprises and all state enterprise and personal requests (new prices).

Buffalo:

1. meat in general	75 kip per kilo
2. organ meats	45 kip per kilo
3. young bones	30 kip per kilo
4. big bones	50 kip per buffalo
5. head	300 kip per head
6. feet	15 kip per foot
7. tail	25 kip per tail
8. bile	15 kip per bile
9. entrails	10 kip per [coil]
10. skin	15 kip per kilo

Beef:

1. meat in general	80 kip per kilo
2. organ meat	50 kip per kilo
3. young bones	25 kip per kilo
4. big bones	40 kip per bone
5. head	250 kip per head

Based on the agreement of the provincial administrative committee of Vientiane Capital No 4254/VTCP on 7 September 1982 concerning the distribution of meat, fish, and other kinds of food in two price categories, the state administrative price and the state enterprise price.

Thus, the Vientiane Capital Food Corporation hereby notifies all that starting from 14 September 1982 the meat and fish prices will be distributed based on the following:

Sale and distribution to state administrative sections and communal dining requests of the state administrative section (old prices)

Buffalo:

1. meat in general	35 kip per kilo
2. organ meat	25 kip per kilo
3. young bones	10 kip per kilo
4. big bones	40 kip per bone
5. head	150 kip per head
6. feet	10 kip per foot
7. tail	10 kip per tail
8. bile	10 kip per bile
9. entrails	5 kip per coil
10. skin	10 kip per kilo

Beef:

1. meat	40 kip per kilo
2. organ meat	30 kip per kilo
3. young bones	12 kip per kilo
4. big bones	30 kip per bone
5. head	130 kip per head
6. tail	10 kip per tail
7. feet	5 kip per foot
8. bile	10 kip per bile
9. entrails	5 kip per coil
10. skin	10 kip per kilo

Pork:

1. meat	70 kip per kilo
2. bacon	50 kip per kilo
3. cutlet	70 kip per kilo

Pork continued:

4. lard	40 kip per kilo
5. liver, stomach heart, vermiform appendix	60 kip per kilo
6. tail	25 kip per tail
7. feet	10 kip per foot
8. bile	15 kip per bile
9. entrails	10 kip per coil
10. skin	15 kip per kilo
11. organs (lung, intestines)	50 kip per kilo
12. bones, heads, feet, ribs	40 kip per kilo

Fish:

1. pa nang	70 kip per kilo
2. carp	50 kip per kilo
3. small carp	20 kip per kilo

The Vientiane Capital Food Corporation hereby informs all.

Vientiane 8 August 1982

CSO: 4206/3

LAOS

BRIEFS

ATTOPEU ELECTRIFICATION--The installation of a medium-size electrification system in Attopeu Province was the responsibility of the provincial industrial service and was guided by Lao State Electrification Enterprise [experts] from 22 June 1982 to 19 August 1982, when it was successfully completed. This included 2 50 kilovolt transformers, the installation of 169 medium and low voltage poles, and the use of a total of 25,960 meters of electric wire. This will facilitate in providing electricity in the city and some production bases later on. [Text] [Vientiane SIANG PASASON in Lao 1 Sep 82 p 1] 9884

VIENTIANE DISTRICT GUERRILLA UNITS--In the middle of August the military command of Phon Hong District, Vientiane Province, set up 2 companies of stationary and mobile guerrilla units in Phon Soung Canton. This was to expand and strengthen the national defense and public security network in localities so as to be able to maintain political security and social order in the masses so that the people could feel free to make their living and gradually develop their country's prosperity. After the official assignment ceremony, cadres and combatants all pledged to strictly carry out the resolutions of the higher echelons in order to protect the rights and interests of the people of all levels. They will resolutely not let any enemy hide and sabotage peace in their cantons. [Text] [Vientiane VIENTIANE MAI in Lao 31 Aug 82 p 1] 9884

CSO: 4206/3

CAUTIOUS OPTIMISM EXPRESSED ON PROSPECTS FOR ELECTIONS

Peshawar MASHRIQ in Urdu 25 Aug 82 p 6

[Editorial: "Necessary Clarifications Regarding Coming Elections"]

[Text] Mr Mahmud Haroon, federal minister of the interior, has made some clarifications regarding the coming elections. First of all, the coming elections will in all probability be held in accordance with the new Islamic political structure. Second new elections will be held after the municipal elections, and preparations are under way for municipal elections in September next year. Third, elections will be held only on the basis of adult franchise, and furthermore "local bodies" will not be used as electoral colleges during the next general elections. Fourth, an election commission has started compiling and revising the electoral lists. Thus, preparations have already begun for holding first the municipal and then general elections at an opportune time.

The minister of the interior made these clarifications on the basis of various statements made by the president, who has time and again asserted that just like other aspects of our life, our political structure should also be based on Islamic principles. This is why the president, in accordance with his mission of introducing Islamic principles, would like to give the country a political structure worthy of an Islamic state and hold elections on the basis of these principles. In all of the constitutions worked out in the past, by introducing resolute objectives, Pakistan has beyond any doubt declared itself to be an Islamic state. But under none of these constitutions has Pakistan ever been given a practical Islamic structure. This may be attributed to the fact that in the past we have followed the Western pattern of politics and Western democracy, as a result of which the country had no leadership that could seriously consider the introduction of an Islamic system in the country.

The present government was the first to introduce the process of Islamic principles in Pakistan, and it naturally desires that this process should be continued in the future. This is why it is inclined to change the political and electoral structure of the past into a political system that would guarantee the continuation of the Islamic process in the country. As against this, the secular and socialist elements in the country, who are opposed to the process of introducing an Islamic system, insist on holding elections

according to the old political and electoral structure. Unfortunately, even some of the parties imbued with Islamic ideologies have started demanding that elections be held immediately on the basis of the 1973 constitution, even though many of these parties would like the new elections to be held not on that basis but on the basis of separate deputation and proportional representation. Similarly, they would also like Islamic moral virtues to be made binding on the electoral candidates. In other words, these political parties, while insisting on the sanctity of the 1973 constitution, at the same time repudiate its established principles.

We believe that if these parties are really loyal to Islamic ideologies, they should without any reservation acknowledge that the 1973 constitution, despite being practical and acceptable, is Islamic in name only; keeping intact the democratic and federal structure of the constitution, it is highly essential to work out a new political structure that will be an effective guarantee as for molding our political and governmental institutions into the Islamic way of life. Pakistan has already been declared an Islamic Republic under the 1973 constitution. As such, it goes without saying that democracy in Pakistan should be constituted not on Western but strictly on the basis of Islamic principles, particularly when in the past we have already recognized the shortcomings of Western democracy. This assessment makes it clear why the present government is delaying the coming elections until the formation of an Islamic political system.

The timing of the introduction of the new Islamic system constitutes a major issue. The president in his speech on 14 August indicated that the new Islamic system will have taken shape before the next Independence Day. In this connection, some work has already been done and some work is in the process of being carried out. It is evident that a political system in complete agreement with Islamic principles cannot be obtained ready-made from some place. The work of designing a structure based on the spirit of Islamic teachings and dictates of the present age will have to be achieved by our experts in Islamic, legal and constitutional affairs. It is the president's desire that the new political structure be worked out in accordance with the unanimous approval of the people, so that later on it will not become the subject of contention and debate.

Moreover, the government is right in its decision to hold municipal elections first and the general election later. This conforms with the correct and gradual procedure of restoring democracy. Since preparations for holding municipal elections in September next year are already under way, it is certain that the general election will be held at an opportune time thereafter. These clarifications should suffice to set at rest the anxieties of the political parties, which during the transitional period, instead of wasting their time on unnecessary slogans and pulling each other's legs, should do the homework that could be the basis of their success during the general election. We call on the supporters of the ideologies of Pakistan and Islam in particular to start working now to create unity of thought and action among the rank and file within their party and refrain from joining hands with secular or socialist elements.

9315  
CSO: 4203/191

WASTEFUL SPENDING, CONSUMPTION IMPEDE SOCIAL REFORM

Peshawar MASHRIQ in Urdu 27 Aug 82 p 2

[ "Column Thoughts and Events" by Dr Abdussalam Khursheed: "Wasteful Consumption--A National Plague. What Is the Remedy for This Chronic Disease? Administration Makes Laws But No One Complies With These Laws." ]

[Text] Hakeem Mohammad Saeed writes the following in an editorial in the Journal HAMDARD SIHAT:

--Whenever the egotism of a nation declines and its moral ethics weaken, then the turn of events that takes place can be seen in the following:

--The People of Pakistan spend 650 rupees on foreign tea; and

--The People of Pakistan spend 180 million rupees on foreign beverages.

Dr Khalid Farooq, president of public health education, in an earlier interview with DAWN, brought the following facts to light:

--1.2 billion rupees are spent annually on the manufacture of cigarettes in Pakistan;

--Pakistan spends 800 million rupees for health services and diseases connected with the consumption of cigarettes;

--Pakistan earns an annual income of 70 million rupees from cigarette advertising of which Pakistan Television Corporation gets 20.2 million rupees.

Everyone knows that we are dependent on foreign formulas and foreign companies for manufacturing ice cream, cosmetics, soap and toothpaste, and that our inferiority complex has increased to such an extent that we use the TV even to publicize a water cooler, proudly declaring that we have acquired German technology or that we have adopted American technology.

We have established makeshift markets throughout the country; in other words, we have set up centers for smuggling. If a person bringing some goods from abroad is not able to convince customs officials, he is declared a smuggler and action is taken against him. But we have opened centers everywhere for selling illegally imported goods free of customs duty, and there is no restriction on this publicly committed crime.

Our ministers preach about the ideology of Pakistan everyday, but have they ever pointed at the issues we just discussed and have they ever denounced these evil acts? Have they ever said what is being done to do away with these ills. Propagating the ideology of Pakistan means not merely raising slogans, nor is it a tactic for overwhelming adversaries. It has many aspects, one being to inculcate self-respect and self-reliance in the people of Pakistan and to promote efforts to improve public health.

This issue has two aspects. One consists of wasting financial resources on things without which only simple subsistence is possible, but which could also help in improving public health. The other aspect is that if we cannot build planes and tanks or do not have the capability of making high quality electronic equipment, we should at least be able to manufacture tooth-paste, soap and cosmetics, which we were making during the British rule. This country was well-known for its cold beverages for centuries. During the British period we make soda, lemonade and other kinds of cold drinks. What is the big calamity facing us now that we have given up old beverages and are not making new ones and are dependent on foreign countries for our beverages, thus wasting the country's valuable financial resources. India with a population of 600 million people on the other side of Wagah manages to live without foreign beverages and has successfully made new kinds of national cold drinks; why can't we do the same?

A third important factor is smuggling. If smuggling is against the law, then full scale action should be taken against it. If it is legal, then announcement should be made to this effect. Let us take VCR as an example. If by any chance a member of the general public tries to smuggle a VCR into the country and thereby earn an income, legal action is taken against him. But it is an open secret that almost all the families in high society own smuggled VCRs, smuggled Indian films and smuggled blue films, which constitute a source of pleasure and enjoyment to congregations held in those households. It is now being demanded that the VCRs already inside the country be legalized.

Now let us take the case of makeshift markets. There is one located in a free tribal area in the vicinity of Peshawar. Their very existence is objectionable. The propriety of their presence can be explained by the fact that some traditions in the free tribal areas are different from ours and that certain conditions require that no action be taken against them. But the important question is: why are Pakistanis buying goods from makeshift markets convicted as criminals and why are they forced to ask for the assistance of influential officials to buy goods? What could possibly be the basis for establishing makeshift markets in Rawalpindi, Lahore, Quetta and Karachi is not yet clear. It is most surprising that law and order is openly challenged and government regulations are violated and no action is taken. Smuggled goods sold in shops in fashionable and other areas sometimes do attract attention and everyone knows the reason. Despite official raids on these shops, nothing is heard of any subsequent action. In other words, nobody knows the punishment meted out to the smugglers.

The government has taken measures to reform society. Earlier, action was taken against obscenity. What you might call obscenity, i.e., publishing

large photos of women, is not considered obscenity in the eyes of the law. It was said in particular that action would be taken against newspapers found guilty of violating the law of the land. But we believe that newspapers that were acting very cautiously in the matter were doing so voluntarily. (Now this caution is slipping away.) Otherwise, unless legal action is taken against newspapers in accordance with the law of the land for publishing large and colored pictures of actresses and models the desired results will not be achieved. It must be borne in mind that men can be involved in obscenity as much as women. Obscenity is really the perpetration of evil actions, such as bribery and corruption, dishonesty, falsehood, hypocrisy, nudity, smuggling, lack of national self-respect, attachment to foreign products, violation of law and order, looking upon illegally acquired wealth as a sign of honor and pride, vanity and affectation. Here we are reminded of a phrase used by the late Maulana Abul A'la Maudoodi: "When an edifice soars high, moral ethics and character sink lower." Therefore, in order to reform society, an all-out Jihad will have to be declared against obscenity in all its forms, and virtuous deeds will have to be encouraged. As long as we do not learn to respect virtuous people and change our attitude of appreciating evil when it comes before us disguised in the cloak of wealth, any movement designed to reform society is bound to fail.

In connection with the subject of pomp and show and respect for law and order, we have on numerous occasions drawn the attention of the authorities to the fact that the laws passed by the former government about marriages are impractical. For example, how can it be possible in these days of inflation to spend 5,000 rupees on dowry and wedding gifts or to arrange dinner for participants in a marriage procession or marriage feast for 2500 rupees? In the beginning, people were frightened and brought dowry and wedding gifts earlier than scheduled at the appointed places, while some people distributed the participants in marriage processions to nearby houses and served dinner separately. But soon the fear disappeared and people started giving extravagant and sumptuous banquets openly. One famous banquets was attended by 6,000 guests. Most of the wedding dinners are usually given in hotels and everyone knows the huge expenses incurred for these functions, but no action is taken. One of the decrees prohibited illuminations during wedding ceremonies, but no one complied with this regulation. Illuminations during wedding ceremonies sometimes last for 3-4 days and no action is ever taken against this breach of law.

What is the use of these regulations when no one complies with them? Some time back it was said that the government was reviewing these regulations and wanted to make them practicable. But nothing has been heard on this matter since then. This is a pious wish. A person who loses his way in the morning but returns home at night cannot be said to have gone astray. The best thing would be to do away with all the ineffective restrictions. This does not mean that people will spend lavishly on marriages. The wealth and the rich who have been extravagant will continue to spend extravagantly. People who were previously poor will remain poor and will continue to spend according to their means.

9315  
CSO: 4203/191

PAKISTAN

BRIEFS

PRO BHUTTO SLOGANS--Karachi, 23 Oct (Staff Reporter)--An unpleasant incident took place here today when, at tea time after the defunct PPP leader Mr Ghulam Mustafa Jatoi's address to the members of the Karachi Bar Association, one of the Bar Association members, Mr Mushtaq Ahmad Advocate, was prevented by the chairman of the Association, Mr Hafiz Lakho, and his supporters from asking Mr Jatoi a question. Unable to ask his question, Mr Ahmad remarked: "So this is democracy and these are its champions!", and became quiet. Later Mr Ahmad said that in the lecture hall also during the question hour he was prevented from asking a question. After the proceedings a group of young men accompanied Mr Jatoi to his car and shouted slogans like: "Bhuttoism zindabad" ('Long live Bhuttoism'); "rahbar aur rahnuma--Shahnawaz Murtaza" ('Our leaders: Shahnawaz and Murtaza'); "masail ka ek hi hal--guerilla jang, guerilla jang: ('Only one solution to our problems: guerilla war, guerilla war'); "Pakistan ki taqdir--Benazir, Benazir" ('Pakistan's fate? Only Benazir'). It may be mentioned that Murtaza Bhutto is the leader of the terrorist organization Al-Zulfiqar and Shahnawaz Bhutto is working as his assistant. [Text] [Karachi JASARAT in Urdu 24 Oct 82 p 1]

CSO: 4656/25

THAILAND

SHIFT IN DEFENSE PLANNING STRATEGY, SEPARATION FROM U.S. REPORTED

Bangkok PATINYA in Thai 6 Sep 82 pp 6-8

[Article: "Supreme Commander Tells the United States That Thailand Will Depend On Itself"]

[Text] After the war in Indochina came to an end in 1975 and the painful defeat of the Free World side forced the United States to withdraw from Asia, the high-level military cooperation between Thailand and the United States, which had once been very close, began to dissolve. This growing estrangement resulted in both Thailand and the United States becoming uncertain as to what the other wanted concerning the expansion of communist influence in this region. The United States was not sure how strong Thailand was, and it was not certain about whether Thailand had the will to fight the communists. This greatly affected its decisions on supporting Thailand. At the same time, Thailand was not sure if the United States realized the importance of Thailand or whether it wanted Thailand to remain a part of the Free World. This greatly affected Thailand's strategic planning.

The Supreme Commander's Tour: Improve Understanding

Restoring military relations and building understanding between high-ranking Thai and U.S. military officers began when General Saibut Koetphon received an invitation from General John W Vessey, the chairman of the U.S. Joint Chiefs of Staff (which is the highest military position in the United States and second to the president), to visit the United States as a guest of the Department of Defense. This invitation given to a high-ranking Thai officer showed that the United States was again interested in Thailand and wanted to find a way to solve the problems in this region. At the same time, the United States wanted to probe Thailand's attitude through conversations with high-ranking Thai officers. This can be seen from the fact that he was accorded great honor on his arrival. When the supreme commander arrived in Hawaii, which is the forward part of the United States, on 29 July, there was an honor guard there to welcome him and an 18-gun salute was fired. There was a welcoming banquet attended by high-ranking officers. And when General Saibut and his party reached Washington and went to the Pentagon, which is where the offices of the U.S. Department of Defense are located, the United States arranged a large honor guard composed of members of all four armed services. There

was an 18-gun salute and the chairman of the U.S. Joint Chiefs of Staff awarded a high U.S. decoration to the Thai supreme commander without informing him in advance of this. And the United States arranged a schedule that called for the Thai supreme commander to meet with important U.S. security officials such as General John W Vessey, the chairman of the U.S. Joint Chiefs of Staff, Mr Richard Armitage, the deputy secretary of defense for Southeast Asia and the Pacific, General Charles Gabriel, the chief of staff of the U.S. Air Force, Admiral William Small, the deputy chief of naval operations, General John Wickham, the deputy chief of staff of the army, General Robert Barrow, the commandant of the Marine Corps, Admiral Harry Train, the Supreme Allied Commander Atlantic and commander of the Atlantic Command, and many other high-ranking U.S. military officers.

Diplomatic circles who followed his meetings with important U.S. military officers observed that the U.S. officials had given attention to and studied the problems ahead of time. Thus, when the Thai supreme commander stated the Thai point of view, the two sides were able to get to the heart of the matter quickly and understand each other well.

#### A Necessary Change: Thailand Will Depend On Itself

In the period prior to 1975 when the United States still had great influence in Southeast Asia, Thailand's national defense strategy was greatly influenced by the United States in the direction of having a strategy of depending on the United States. Thus, it was also necessary to follow the path, or interests, of the United States. But when the United States withdrew its troops from Indochina and Southeast Asia, there was much talk, both in Thailand and in the United States, to the effect that Thailand would "go communist," meaning that Thailand would be the next to become communist after Indochina. But Thailand has maintained its independence to the present. This shows Thailand's capabilities in defending the country by itself.

During his visit to the United States, General Saitayut made it clear to the United States that Thailand intends to maintain [the security of] the country and that it is capable of doing so without having to rely on others as before. In pointing this out to high-ranking U.S. military officers, Thailand's supreme commander pointed out that, even though the population of Indochina is greater than that of Thailand, the population of Vietnam by itself is not much greater than that of Thailand. Besides this, Vietnam is still experiencing many domestic problems. Thus, when compared with Thailand, Thailand still has an advantage on several fronts.

Concerning the fact that Thailand will stand on its own feet, the supreme commander pointed out that Thailand has clearly developed its national defense strategy, such as the total strategy.

As for the internal security strategy, the people-civilian-police-military (PCPM) way of thinking is being used. It has been shown that this is capable of maintaining internal security. All of this confirms that Thailand is capable of maintaining [the security of] the country by itself.

### U.S. aid: Only Weapons and War Materials; a Binding Treaty Is Not Involved

The supreme commander told everyone that he met that Thailand has sufficient will, resources and manpower to develop security. But it lacks equipment and weapons. And Thailand cannot spend much money to stockpile such items for use when necessary since they are very expensive. Thailand has considered things and decided that, concerning military development, we must not spend so much money that this would affect economic development. The policy of the United States is to help countries maintain their independence, sovereignty and freedom. Thus, the views of the two countries are in harmony because Thailand wants to maintain its independence, sovereignty and freedom by relying on itself. Thus, the United States should give weapons and equipment to Thailand but then allow Thailand to solve the problems itself instead of doing things like it did in the past. In the past, the United States acted "bossy" and stipulated policies for other countries. It signed binding military treaties with various countries and sent troops to some countries. This is outmoded and other countries, even small countries, cannot accept this.

Thus, at a time when the United States does not want to get bogged down in this region like it did during the Vietnamese War and at a time when it is facing a serious situation in Europe, the Middle East and elsewhere, since Thailand wants to stipulate its own policies, it would be good if the United States helps Thailand by just providing various types of aid without making strong military commitments.

In response to Thailand's attitude of self-confidence, the United States tried to bring up the old treaties that had been made with Thailand, such as the Thanat-Rusk Treaty and the Manila Treaty, in order to give assurances to Thailand. Concerning the matter of a treaty, the supreme commander said that this may have meaning just for the United States since it is a matter that the U.S. government can explain to the people of the United States. But the important thing for Thailand is not whether there is a mutual treaty. The important thing is whether [the United States] gives concrete support, meaning weapons and war materials. And we have not asked that these weapons just be given to us. We will pay for them. The Thai supreme commander told the United States that the help to be provided by the United States should consist only of sending items to Thailand in accord with the plan in which Thailand needs the weapons for use in defending the country and in accord with the plan in which it needs weapons for immediate use. On this occasion, the supreme commander presented weapons requirements plans for various periods so that the United States can ready the items in accord with Thailand's needs. All of this requires advance planning so that the two sides are in harmony. These statements [by the supreme commander] gave the United States a better understanding of Thailand's problems. A plan was formulated for sending weapons needed by Thailand in normal times. And in emergencies, the United States must quickly ready additional weapons and send them right away.

Besides the support with weapons and equipment, General Siayut reached an agreement with the United States concerning the matter of credit. This will keep

Thailand from having to pay large sums of money in advance when purchasing weapons since we have to spend much money in other sectors. The United States realizes the situation Thailand is in and so it agreed in principle that Thailand will pay only a small premium in advance. When Thailand receives the weapons, it will gradually pay off the balance. But this will be a long-term loan at a low rate of interest.

Since the principles of weapons support were stipulated like this, Thailand's supreme commander took this opportunity to ask to purchase Bowpipe and Harpoon rockets in advance since it was felt that the United States does not want to release these types of weapons to other countries and the United States itself still has a great need for these types of rockets. It was explained that Thailand quickly needs to stockpile highly-efficient weapons in order to make Thailand's enemies think hard about invading Thailand. This should result in the United States agreeing to send Thailand these two types of rockets at the beginning of next year. This will increase Thailand's strength beginning from the next dry season.

#### An Historical Change In Strategy

In summary, previously, it was the United States, and not Thailand, that made almost all the plans for defending this region. This was the case from the time Seato was formed until troops were sent to the battlefields in Vietnam. But now, Thailand has clearly told the United States that we will no longer allow others to think for us. Thailand will formulate its own strategies, including foreign affairs and military strategies. This will enable Thailand to stipulate strategies or policies by holding to the interests of the country. Thus, how the United States sets its own strategies is its business. The United States does not want Thailand to become communist but it is not ready to send troops to this region again. At the same time, Thailand wants to stand on its own legs and stipulate its own strategies. These are mutual desires that give Thailand bargaining power and that allow it to ask for support, without any commitments, in order to build up the security of the country.

This trip by General Saiyut Koetphon has resulted in the United States now having to follow the plans made by Thailand rather than our having to stipulate national defense plans in accord with plans made by the United States, which may not be in line with Thai interests. This has resulted because we have self-confidence and have proven that we can stand on our own feet.

11943  
CSO: 4207/1

THAILAND

INDOCHINA TRADE BAN BLAMED ON U.S.

Bangkok SU ANAKHOT in Thai 29 Aug-4 Dep 82 pp 22, 23

[Article: "Thai-Indochinese Relations: Politics Leads the Way, Trade Follows"]

[Text] Ever since Vietnam displayed its power and sent troops into Thailand at Ban Non Mak Mun in Aranyaprathet District in June 1980, relations between Thailand and Vietnam have continually deteriorated. And it is certain that this will affect trade between the two countries, which is already small, and bring all trade [between them] to a halt.

The Thai government at that time announced that it was prohibiting the sale of war materials to Vietnam. There are very few types of goods that Thailand can sell to Vietnam. The things that have taken place have also affected the other Indochina countries that are satellites of Vietnam. Trade between Thailand [and these countries] has gradually declined too.

But suddenly, in the middle of August, there were reports in one foreign-language newspaper in Thailand that Thailand would repeal the ban on sending rice, which is considered to be one type of war material, to Vietnam. It finally reached the point where Mr Arun Phanuphong, the deputy minister of foreign affairs, had to issue a statement denying this.

At the same time, Mr Danai Dulalampha, who became the director-general of the Department of Foreign Trade only recently, confirmed that Thailand definitely does not have a policy of selling rice to Vietnam. And concerning the reports that 40,000 tons of rice will be sent to Vietnam, actually, this rice will be sold to the Soviet Union. If the Soviet Union wants to send this rice to some other country, we cannot stop them from doing so.

This is confirmation that the 40,000 tons of rice that the Soviet Union purchased from one Thai rice trading company, that is, the Thai Fa 2511 company, will definitely be sent to Vietnam.

"Private companies have the right to trade with any country they want. The only exception is South Africa. This is in accord with a U.N. resolution. It is only natural that, when a rice trading company exports rice, there are

no restrictions on which countries the rice can be sold to after it is purchased from Thailand," said Mr Danai. He also said that:

"Last year, the Soviet Union purchased 277,000 tons of rice from Thailand. We don't know whether they gave this rice to Vietnam or not since the Soviet Union purchased the rice FOB, Bangkok, and transported the rice on their own ships. We don't know where they sent the rice."

As for trade between Thailand and the Indochina countries during the past 5-6 years, a recent report issued by the Department of Business Economics said that the value of this trade is very small. It looked as if trade would expand in the period 1977-1979. But after that, trade declined. In 1980, when the Non Mak Mun affair occurred, trade declined 138.4 percent. And trade declined ever further in 1981. Last year, the value of imports and exports between the two countries reached only 18 million baht. Thailand exported to Vietnam goods valued at 9.5 million baht and imported from Vietnam goods valued at 8.5 million baht. This can be compared with 1980 when the value of the goods reached 276 million baht. Thus, the value of the goods declined 258 million baht, or 93.5 percent.

Thai exports to Vietnam during the past 5 years, that is from 1977 through 1981, were as follows: Exports in 1977 were valued at 245.4 million baht; exports for 1978 were valued at 239.1 million baht; exports for 1979 were valued at 448.2 million baht; in 1980, they were valued at 254.1 million baht; and in 1981, they were valued at 9.5 million baht. Concerning the types of goods exported by Thailand to Vietnam, in addition to rice, Thailand exported motorcycles, scooters, butter, paper, cardboard and meat.

As for imports from Vietnam during this 5-year period, Thailand imported more goods from Vietnam every year, with the exception of 1981 when imports declined. In 1977, imports were valued at 2.2 million baht. In 1978, there were valued at 10.1 million baht. Imports for 1979, 1980 and 1981 were valued at 12.5, 21.9 and 8.5 million baht respectively. The main item purchased from Vietnam was coal.

In looking at Thai exports to and imports from Vietnam, it can be seen that Thailand had a very favorable balance of trade with Vietnam every year, with the exception of 1981, when there was little trade and Thailand's favorable balance of trade was only 1 million baht.

As for the other Indochina countries, such as Laos, the value of trade with Thailand is several times greater than that with Vietnam because Laos must depend on Thailand for all types of goods. For the period 1977 to 1981, Thailand exported goods worth 291.2 million baht to Laos [in 1977] and the value of the goods exported reached 910.5 million baht in 1980. But in 1981, the value of the goods exported fell to 586 million baht. Laos purchases mostly yarn, textiles, sweetened condensed milk, glutinous rice, corn and tobacco from Thailand.

The items purchased by Thailand from Laos include various types of timber for construction, such as ormosia, dipterocarpaceae, and lagerstroemia, animal horns, animal bones and hides. But the value of the goods imported from Laos is not very great. In 1977, Thailand imported goods worth 48.3 million baht. In 1978, the value of the goods imported was 56.4 million baht. In 1979, 1980 and 1981, the value of the goods imported was 53.9, 37.2 and 17.5 million baht respectively. Looking at the balance of trade, Thailand has had a favorable balance of trade with Laos for the last 10 years. Looking at the figures, [it can be seen that] the year with the most favorable balance of trade [for Thailand] was 1980 when Thai exports exceeded imports by 873.3 million baht.

Another country that has historically been both a friend and an enemy of Thailand is Kampuchea. Kampuchea has been in a turmoil for several years. There was little trade in 1977 and 1978. Trade increased in 1979. Thailand exported goods valued at 170.3 million baht to Kampuchea. But Kampuchea did not export anything to Thailand. The best year for trade between Thailand and Kampuchea was 1980. Kampuchea purchased goods valued at 659.1 million baht but Thailand did not purchase any goods from Kampuchea. But in 1981 trade declined to only 101 million baht. Thailand was the exporter. Kampuchea exported to Thailand goods valued at only 200,000 baht.

Looking at the balance of trade between Thailand and the Indochina countries, Thailand had a favorable balance of trade with each of the countries. But it has not been possible to carry on trade fully and this has allowed other countries to snatch these profits. This has resulted because of the ban on selling certain types of Thai goods to Vietnam. The countries that have taken over and carried on trade in place of Thailand are friends of Thailand in ASEAN. Mr Lee Kuan Yew, the prime minister of Singapore, once said that he was a real enemy of Vietnam. But he has allowed Singaporean merchants to take this opportunity, in which Thailand has implemented a policy of prohibiting trade with Vietnam, to purchase goods from Thailand and then sell them to Vietnam.

"If Thailand does not trade with Vietnam and allows Singapore to act as a broker in our place, we will be put at a disadvantage. We must change this policy," said a high-ranking official from the Ministry of Commerce about this.

At present, the Ministry of Foreign Affairs has begun to see the disadvantages in this. But this is an international political policy that must be changed by the government."

"It was proper for the government to ban trade with Vietnam after Vietnam invaded Thailand. But now, the situation has changed. The Ministry of Foreign Affairs is ready to open a way. The Ministry of Foreign Affairs has a farsighted view and feels that the economic problems are most important," said the high-level news source from the Ministry of Foreign Affairs.

"This matter may be discussed in detail at this week's conference of the Joint Government-Private Committee for Solving the Economic Problems."

However, this may be a simple problem that is very difficult to solve. Because besides the fact that Thailand has a firm agreement with the other Asean countries, in the background there may be strong pressure from the United States. The United States wants to exert pressure on Vietnam to get Vietnam to do what the United States wants. For example, it wants Vietnam to provide information about the American soliders listed as missing in action in the Vietnamese War. And it is known that Thai policies concerning Indochina are stipulated by the United States. The United States is clever and has not played an open role. But it is the one behind the various policies of Thailand.

Since the situation is like this, it is not expected that there will be any changes in the policies concerning trade between Thailand and Indochina. The situation will probably remain as it is.

If nothing can be changed, we will have to continue to let Singapore be the one to make all the profits from trading with Indochina.

11943  
CSO: 4207/1

COLUMNIST VOICES DISGRUNTLEMENT OVER RELATIONS WITH MALAYSIA

Bangkok DAO SIAM in Thai 6 Sep 82 p 5

Sunday Criticisms column by Taphaya: "What's Going On Between Thailand and Malaysia? Senior People Are Muttering"]

[Text] It has been 20 years since Thailand and Malaysia agreed to cooperate in eliminating the terrorists who operate along the border between the two countries.

This has been 20 years of misunderstanding. Twenty years of failure. Twenty years in which Thailand has been taken advantage of. And 20 years of mutual suspicion.

What is behind the misunderstanding? The leaders of the two countries have not talked to each other in an understandable or sensible way. One side has spoken Thai while the other has spoken the language of Malaysia. How strange!

And now Lieutenant General Han Linanon, the commanding general of the Fourth Army Area, has loudly expressed his dissatisfaction over the results of the meeting of the Thai-Malaysian Border Committee, which just concluded its meeting several days ago.

[He is dissatisfied] because Malaysia is not sincere and does not intend to cooperate in the suppression operations.

Malaysia, on the other hand, has charged that Thailand is supporting the Malaysian communist guerrillas. And during this meeting, Malaysia did not mention the bandit terrorists, who have run rampage along Thailand's southern border. The Malaysian communist guerrillas speak the language of Malaysia and they regularly cause trouble in Thailand.

Besides this, the bandit terrorists also receive weapons support from abroad.

But there is more to the disharmony between Thailand and Malaysia than this.

Malaysia has been given permission to send troops across the border several kilometers into Thailand in pursuit of terrorists. But Thailand does not have permission to pursue terrorists into Malaysia. What are the senior people in the Thai government thinking?

But if it is said that the purpose is to show them how honest we are, this hasn't happened. Recently, General Saiyut Koetphon, the supreme commander, muttered in response to a reporter's question concerning this matter that "their government is still new. It just came to power and so it doesn't understand."

Yes. Thais always view others in a good light. But Thailand is frequently viewed in a bad light.

We will try to find proof for them so they understand, said General Saiyut.

Thais get hurt, but they never remember. And when will we speak to each other so that we understand each other?

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HIGH-RANKING INTERIOR OFFICIAL PROFILED, PREM LINK NOTED

Bangkok SU ANAKHOT in Thai 29 Aug-4 Sep 82 pp 11, 12

[Article: "Keep an Eye On Phisan"]

[Text] Phisan Munlasatsathon, age 53, is the son of Mr Munlasatsathon and Mrs Phaka. He was born in Surin Province. In his youth, he was a boxer. Although he is not too well known, one of his younger brothers is a boxer who is well known to boxing fans as the "Earth Mover of Surin." He graduated from a provincial high school and then continued his education at Thammasat University. He then studied political science at Chulalongkorn University, or Sing Tam, Class 1. He began his government career as the deputy district officer in San Kha District, Surin Province. He served as deputy district officer in several districts before becoming the district officer of Muang District, Surin Province, in 1958. In 1967, he served as the assistant provincial governor of Surin. In 1968, he became the assistant governor of Phetchabun Province. Later, he was transferred to serve as the assistant governor of Nakhon Phanom Province and then made the deputy governor of this province in 1973. In 1974, he served as the governor of Sisaket Province. In 1975, he was the governor of Nakhon Phanom Province. In 1977, he served as the governor of Udorn Ratchathani Province before being moved to the position of director-general of the Department of Local Administration at the end of 1980. After serving in this position for 4 months, he was appointed undersecretary of the Ministry of Interior. But before he could take this position, the coup of 1-3 April 1981 broke out. He was appointed to the position of head of the interior section in the National Peacekeeping Directorate. When things returned to normal, he became the undersecretary of the Ministry of Interior and a senator.

Concerning the matter of Phisan Munlasatsathon changing course from being a minor official of the Ministry of Interior who was hidden in local administration, particularly in the northeast, and taking a central administrative position as the director-general of the Department of Local Administration,

and then rising to undersecretary of the Ministry of Interior in just 4 months when the former undersecretary, Damrong Sunthonsarathun was transferred to the Office of the Prime Minister to await the investigation of the local printery case, besides the fact that this is viewed as having occurred because of his closeness to General Prem ever since they served in the northeast together, the political role of Phisan has began to attract attention. He is being viewed as the Political "wheel" of General Prem. In particular, during each crisis, Phisan has played an important part in the mass movements to generate support for the prime minister in the form "anything, but it must be General Prem."

The close relationship between Phisan and General Prem was formed during the time General Prem was the commanding general of the Second Army Area and Phisan was the governor of Nakhon Phanom Province in 1975. In that period, Phisan implemented the policy of the commanding general and formed the first Thai Village Self-Defense Volunteers unit in Nakhon Phanom Province. Later on, the idea of establishing a people's army in the border areas to counter the Vietnamese, who had begun to invade Kampuchea, grew much stronger in the northeast. Then in 1978 during the time of the first Kriangsak government, an act disbanding the scattered forces was promulgated. The only groups left were the Village Scouts, the Regional Security Volunteers, the People's Volunteers for Development and Self-Defense and the Volunteer Defense Corps.

Concerning the special qualities of Phisan, in addition to the fact that he is a very personable man, during the time he was governor he got along well with the people because he is a very capable person in carrying on mass activities, encouraging and comforting people and assembling people. As undersecretary of the Ministry of Interior, his role is to go with General Prem into the countryside. Since the middle of last year, there have been periodic reports that General Prem will run for election as a member of the Democrat Party or Social Action Party. And an image of General Prem as the only person fit to be prime minister has been created. In considering these things, an eye must be kept on the role of Phisan. Because concerning the demonstrations that have helped General Prem each time, mass activities have frequently been the method used. Regardless of the mass forces used to welcome him, they usually carry posters supporting General Prem for election. This has been the case in Songkhla, his birthplace, and Korat, where he served as the commanding general of the Second Army Area at the Suranari Camp and in other provinces. There was the postcard affair of the people in Songkhla who support General Prem for another term as prime minister. And there was the matter of extending his term as RTA CINC, when Thawee Kraikhup went out and sent postcards to the MPs.

"Concerning the fact that Undersecretary Phisan often accompanies General Prem, this is because he is a government official and has to act in accord with the policies. When the prime minister calls on him to perform various tasks, these are orders from the prime minister and he cannot refuse to carry out the tasks," explained a younger Sing Dam graduate who is close to Undersecretary Phisan concerning why Phisan has had to work closely with General Prem. He

also talked about why Phisan is thought to be the person who assembles villagers to cheer General Prem. "The charge that whenever Phisan goes on an inspection tour with the prime minister, he must assemble villagers to support the prime minister is an ordinary matter of political scheming by politicians in general. On a visit to some area, if it seemed that the people were indifferent, this would have been unbecoming. General Prem has many "kun Su" [advisors]. He has to let them do such things. Undersecretary Phisan could not do this by himself," said the same person to SU ANAKHOT.

Even though it was a close associate of Phisan who said this, there is the matter of the explosion at Prem's Si Sao house. Tens of thousands of Village Scouts and Volunteer Defense Corps members held parades to show support for General Prem in order to reverse the situation and turn it in his favor. Such demonstrations were held in Surin, Nakhon Phanom, Sisaket, Kalasin and several other provinces. In addition, [there were demonstrations] by the same groups of people in Ratchaburi who had once demonstrated to show support for Thawee Kraikhup, the deputy minister of commerce, during the time parliament questioned him about distributing money to MPs to destroy the constitution. General Prem had to welcome all these people and so he finally had his secretary telephone undersecretary Phisan and tell him that it was not necessary for villagers to come here and that they could simply demonstrate their concern in their own province. As for the problems that followed, besides the fact that it was Phisan who recruited villagers to show support for General Prem, some people have said that he was the one who created the entire situation in order to win votes and sympathy for General Prem.

"Concerning his recruiting villagers, we can see the game he was playing. The members of the Volunteer Defense Corps who came that day were all Prem men. It took only one telephone call to get them to come. The high-ranking officials in the ministry are all aware of this. And concerning the explosion, look at the manner in which the grenade was thrown. A terrorist would have been well aware of the fact that he could not have caused any damage because there are three palm trees blocking the way," said a news source in the Ministry of Interior. However, the reasons for charging that this situation was orchestrated intentionally are rather weak since there was no reason to do such a thing. "Why would Phisan do this? This is just not true. General Prem and Phisan are on the same team. If he did this, General Prem would be the loser. The reason that the Volunteer Defense Corps went to give support was because they wanted to eliminate the troubles of General Prem. It was not necessary to create a situation. Its a life and death matter for the nation," said a news source close to Phisan when SU ANAKHOT asked about the matter of Phisan being charged with having created the situation.

About a year ago when Phisan was serving as the undersecretary of the Ministry of Interior, his skill at mass activities left him with little time to spend at his office. He frequently had to make trips to the provinces in order to carry on psychological operations and security activities. Others had to carry out his other duties for him. Government officials began to complain that there was rarely anything new to do. However, Phisan has never had conflicts

with any group in the ministry. One of his good administrative principles is that he tries to involve other institutions and does not limit things to just the Sing Dam or Sing Daeng. Phisan seems to be very afraid of "playing favorites." The Sing Dam group is unhappy about Phisan limiting their role. Because what has been happening is that the competition between the two institutions has become more intense. It has reached the point where, if the undersecretary belongs to one "sing," he will try to suppress the role of the other "sing."

Even though some people think that Phisan is connected to the various events and feel that he has played a rather great political role recently, in the eyes of the military, Phisan does not have any great role and is not really worth keeping an eye on. The only thing is that his image was tarnished slightly by the events of 1-3 April. Phisan went on television and made an appeal side by side with Colonel Charuai Nimdit, an officer in the psychological operations section of the Second Army Area. One commander who helped suppress the young turks that time said that "he is too much of an actor. He doesn't come across as being sincere."

Another turning point has about been reached. General Prem is moving forward to hold the political reins for another term. That is, [he wants] to be prime minister for another term after the election in 1983. Unless there is a coup beforehand, Phisan will continue to play a vital role for General Prem.

And since there is another person who is the political and military heir apparent, General Athit Kamlangk, who will probably become the RTA CINC, will have to give attention to forming new relationships, even though the RTA CINC has said that he does not like to do such things.

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COLUMNIST NOTES DISSENSION IN SUPREME COMMAND REORGANIZATION

Bangkok BAN MUANG in Thai 16, 17 Sep 82

[Free Thoughts, Cool Breezes and Sunshine column by Nui Bangkhunthien: "The Structure of the Thai Military"]

[16 Sep 82 pp 4, 5]

[Text] General Saiyut Koetphon, the supreme commander, has initiated something of historical importance by having the commanders in chief of the army, navy and air force serve concurrently as deputy supreme commanders.

General Prem Tinsulanon agrees. General Athit Kamlangk has reservations. General Kriangsak Chamanan not only disagrees but has proposed that Supreme Command Headquarters be abolished.

The idea of building up the military so there is greater unity has been floating around for many years. Soldiers and scholars once did a study and proposed that the military be improved. But unfortunately, such things always come to a sudden stop everytime there are political changes.

The Thai political system has no standards. None of the popularly elected governments has ever finished its 4-year term. This is just the opposite from those who bear arms, who have gained power without having obtained the approval of the people. These people just stay in power until they are driven out with guns.

The political shifts have made it necessary for the military system to have to rely on itself. And since it relies so much on itself, a rigidity has set in which makes it difficult for [soldiers] to get along with others, regardless of whether it is groups with economic power or the political parties. Thus, the military has also taken on the responsibility of administering the country.

And in the military, it is the army that stipulates everything. The navy and the air force just implement the policies given to them.

This has resulted in the balance in the administrative system tilting toward the army. This is not good for the country as a whole or even for the army. Because, this is not normal.

The experts in the army may be experts in maintaining security, in waging war and in using power to govern the people in the country. But there is more to the country than this.

The growth and progress of the country depends on skill in many fields, for example, the economic and financial system, agricultural development, stratagems in foreign affairs, community development, control of the education system and so on.

To carry out the tasks in each of these sectors specialists in each of these sectors must be relied on.

If just the professional soldiers try to do everything, the country will not make progress. In the beginning, the Thai military had a top-down structure flowing from the prime minister (or leader of the Revolutionary Council) to the minister of defense, undersecretary of defense and commanders in chief of the army, navy and air force. After the coup in 1958, the United States came and changed the structure. A supreme command was established, which was in imitation of the U.S. military system.

Initially, Supreme Command Headquarters was established for the purpose of controlling the three armed services. But problems arose because the standards of the Thai and American militaries were different. In the U.S. military, everything is done according to the system and according to firm standards. But in the Thai military, things are bent and twisted because we rely on individuals more than the system.

In the past, the supreme commander was often the head of the Revolutionary Council, the RTA CINC, the prime minister and the minister of defense all in one.

Military leaders did not dare disperse power because they would have risked having power seized from them.

Thus, the American principles were beautiful words. But they were useless in practice. The Thai military and political systems have constantly gone through cycles of collapse and regeneration. Everybody is aware of this but no one has dared take action. No one has dared stand up and point out that doing things this way is wrong. General Saiyut Koetphon is the first person to do so.

This action by General Saiyut Koetphon is correct. Every faction should support this so that the development of the Thai military succeeds, so that it is strong and so that it has a system.

When the military has standards, we can begin to hope that politics will follow the standards of another system and that Thailand will make rapid progress. Individuals cannot be more important than the system.

[17 Sep 82 pp 4, 5]

[Text] According to the general structure of the military as pointed out by General Saiyut Koetphon, the chain of command, in descending order, is as follows:

The prime minister, the minister of defense, the undersecretary of defense, the supreme commander, and the commanders in chief of the armed services (army, navy and air force). This is a tight structure.

There will be problems at the level of the undersecretary of defense. As for the old image, which is a very tiresome matter, of sending people to the "graveyard" of defense, there is little hope that an administrator at the level of undersecretary will be able to give orders to the supreme commander. The old structure of the military stipulated that the undersecretary of defense was to be a sort of "housewife" responsible for administrative tasks and a link between the minister, who is a politician, and the soldiers in the three armed services, who are government officials.

In the past, the undersecretary of defense was a modest and unassuming individual who played a very small part in things. He just carried out the orders of the minister. How good a job he did is another matter. In such a situation the undersecretary of defense is a bureaucrat who is bound by regulations, laws and orders.

Thus, there is a question of how much flexibility he will have if he is given the task of supervising the supreme commander. The position of supreme commander is a position that has special qualities. The regular activities are combined with politics. Some of the tasks cannot be carried out with regulations or carried out in a normal way.

However, this new structure initiated by General Saiyut is suited to the situation of the military, which is constantly growing larger.

Previously, the activities in the military were very limited. Combat was in the form of sending soldiers to fight abroad. The war materials were limited by the small amount of money available. Security activities, mass psychological operations and military development activities were not carried on widespread.

It was the Ministry of Interior that was responsible for everything. It was responsible for everything from maintaining order in the country and developing the communications to digging canals and promoting village occupations.

But now the Ministry of Defense is involved in just as many tasks. The undersecretary of defense should be responsible for the administrative tasks, which must be carried out in accord with the regular work chain. He must supervise all the units to see that the regulations are obeyed.

The supreme commander should be responsible for all staff tasks and military operations. This includes making decisions on some political matters.

If the tasks of the two are clearly divided like this, the supreme commander should be directly responsible to the minister of defense. He should not have to go through the undersecretary of defense, which would only complicate matters. And this would greatly reduce the levels.

In the present period, the commanders in chief of the army, navy and air force have specific duties stipulated by law. A single person must not hold several positions like a god or superman sitting working among his underlings who does not have a chance to get in close touch with the facts.

If the positions can be separated, with the prime minister, minister of defense, supreme commander and RTA CINC each holding just one position, and a single person can be prohibited from wearing several hats, the military and the country will make great progress.

And when those in the military act as examples, people in other professions will definitely have to develop too. This includes the political parties and the groups with economic influence.

Those who go against this and involve themselves in things outside their role will no longer be able to live in society.

This is a wonderful picture and is viewed from a good angle. As for whether it will be possible to actually carry this out, we will just have to wait and see.

Those who govern the country must work as a team under a correct legal system. Everyone must respect the rights and duties of others and obey the rules that have been made.

Maintaining the system of clinging to individuals will quickly destroy the country. The lives of people are short. For the country to make progress, the importance of the system, which will endure longer than an individual, must be stressed.

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THAILAND

LACK OF NEUTRALITY ON KHMER COALITION ASSAILED

Bangkok PATINYA in Thai 6 Sep 82 pp 13, 14

[Article: "Announcement...Announcement: Thailand Must Serve Sihanouk Again!"]

[Text] After Sihanouk received support from the Thai Ministry of Foreign Affairs and a Khmer coalition government was formed, with the Thai government providing great support on all fronts, Sihanouk and his cohorts took what had been accomplished and split away in great glee.

Thailand and the Thai people cannot go anywhere. We must take responsibility for the problem.

The problem concerns the troubles that have followed in the wake of the Kampuchean people fighting for state power. Concerning the Heng Samrin group, Vietnam is supporting it on all fronts, including helping the Kampuchean to kill each other. Vietnam is trying to eliminate the other Khmer groups that will not surrender. The main [opposition] groups are the Khmer Rouge (that is, the Pol Pot communists), the Moulinaka faction (Sihanouk's group) and the Khmer Seri (Son Sann's group), or Khmer Coalition Government as they are called. These groups are being supported by Red China and the United States.

Said differently, they have sponsors and all are equal.

The Khmer coalition has taken over an area near the Thai-Kampuchean border. They flee here from the attacks of the Khmer-Vietnamese group in order to purchase essential items and weapons that sympathetic Thais smuggle in and sell to them. Besides this, when they are attacked by the Khmer-Vietnamese group, they flee into Thailand. The Khmer-Vietnamese group [supposedly] cannot follow since it does not dare violate [Thai] sovereignty by crossing the border. But this is true only occasionally. Many times, they have pursued them across the border and gone several kilometers [into Thailand]. Sometimes, they withdraw without clashing with Thai soldiers. But many times there have been clashes because we have had to defend our territory. We cannot allow our sovereignty to be violated. As for those who flee here, Thai soldiers push them back across the border.

In addition to the close combat, the Khmer-Vietnamese group often uses support weapons such as artillery and rockets. Sometimes, these land in Thai territory, occasionally causing destruction. This happens frequently and Thais, who are not involved, have frequently experienced losses. As for those who are involved, they do not live along the border and so they do not have to suffer like the villagers.

The fact that the Khmer coalition groups have settled down near the Thai border is a matter of intention. That is, they want the forces of the Khmer-Vietnamese group to clash with Thai soldiers. In many cases, it is thought that clashes resulted because of inducements by the Khmer coalition. Or the Khmer coalition created the situation. The members of the Khmer coalition and the Khmer-Vietnamese group resemble each other physically, unlike Asians and Europeans, and so all they have to do to transform themselves is change clothes.

The Khmer-Vietnamese group frequently charges that, if Thailand had really been neutral and had not given support to the other Khmer groups, the Khmer-Vietnamese group would have been able to suppress the other Khmer groups several years ago. But to date, this charge has not been substantiated since the evidence is too weak.

They have made such charges for a long time in order to point out that the situation has now changed since the Sihanouk group has had the "good fortune" to have Thailand as a propaganda tool. Because this confirms that Thailand has sided with the Khmer coalition and is interfering in the internal affairs of Kampuchea. The entire world knows this.

Thus, if the Khmer-Vietnamese group takes action against Thailand or the Thai people, no one will sympathize with us. Or stated plainly, this is not proper. And the Thai people, including monks, novices, nuns and the common people living along the Thai-Kampuchean border, will continue to have to "keep their heads down" and flee the danger as newspaper photographs have shown. And if their luck is really bad, they may be killed or lose their property at any time because of the intentional and unintentional actions of the various Khmer groups.

Concerning the latest reports of minor troubles experienced by Thai people, who were hit by nine 107-millimeter rockets, 14 K82 rounds and six RPG rounds, which resulted from a battle in Kampuchea on 17-18 August, this shows that the fact that Thailand has [forsaken] real neutrality and gotten involved in the internal affairs of Kampuchea by supporting the formation of the Khmer coalition government has not helped reduce the troubles of the Thai people, troubles that have arisen because of foreigners. We continue to have to shoulder the burden of helping Sihanouk. For example, there were reports that, on 17 August, 272 armed Khmer Rouge soldiers crossed the border into Thailand in the Ban Mai Pa Hong, Ban Khlong Nam Sai and Ban Salong Khrong areas in order to join the Moulinaka group under the leadership of Sihanouk. Thai officials disarmed them and let them stay at the Khao I Dang refugee center while waiting for word from the Sihanouk group as to whether or not they would accept them.

Why? Thailand is independent. Sihanouk is the president of the Khmer [coalition government]. Those are Kampucheans. If they want help, let them help each other. Why does Thailand have to get involved?

Concerning these reports, if it is said that we are not helping Sihanouk, what else can it be called?

The previous time, Sihanouk sent a telegram to the Thai minister of foreign affairs asking him to keep Kampucheans from being sent, as was reported by PATINYA.

Such things have never happened before, and it is not known how much longer we will have to be the servant of Sihanouk.

Actually, these 272 Kampucheans may have been fleeing from the intense suppression operations of the Khmer-Vietnamese group.

The correct thing to do (regardless of why these 272 Kampucheans crossed into Thailand) is to expel them from Thailand. We should not continue to take care of them at the refugee center.

But this is probably not possible since, concerning the Kampuchean matter, we have constantly done the wrong thing.

The thing that has become clear is that, concerning the countries that supported the formation of the Khmer coalition government, which includes the members of ASEAN, Red China and the United States, their soldiers do not have to undergo hardships and their people do not have to experience the fate of the Thai people. And these countries do not have to be the servant of Sihanouk like Thailand does.

Being a Thai in the present period is really painful.

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THAILAND

EDITORIAL URGES SUPPORT FOR PALESTINIAN STATE, CAUTION ON PLO

Bangkok SIAM RAT in Thai 28 Aug 82 p 3

[Editorial: "The PLO: What Is Best?"]

[Text] In his capacity as a foreign affairs official of the PLO, Mr Ali Fayyad, a representative of the PLO, visited Thailand as a guest of the Ministry of Foreign Affairs. He met with Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, and with high-ranking officials of other ministries in order to discuss a still undisclosed matter. But it is known that this PLO representative came in order to make several requests of the Thai government. Otherwise, Mr Asa Sarasin, the director-general of the Political Department of the Ministry of Foreign Affairs, would not have said that requests were made and that we will consider them.

Formerly, Mr Fayyad was the PLO ambassador in Hanoi. His duties concerned activities in Southeast Asia.

Unless we misunderstand, the PLO representative made this trip to Thailand in order to ask for Thailand's support and to get Thailand to recognize this organization as the representative of the Palestinian people, who are presently scattered about the various Arab states, such as Jordan, Syria, Iraq and Tunisia, and along the West Bank of the Jordan River and the Gaza Strip.

Concerning this political struggle by the PLO to get countries to recognize the PLO as the government, or representative, of the Palestinian people even though the Palestinian people do not have a place to establish a country, it is understood that this is in preparation for the next meeting of the U.N. General Assembly, which will take place at the end of next month. And at this meeting, some of the Islamic countries will probably submit another motion demanding an initial U.N. resolution on the formation of a Palestinian state just like Israel. Because from the time Israel was established in 1948, the Palestinians have not been able to form a state. Political and military pressures have constantly blocked them and this is why the Palestinians still do not have a country of their own.

Even though Israel is presently trying to destroy the political and military structure of the PLO by driving them out of Beirut (which is going on right now), the camps of the PLO are still intact and it is understood that they will join together in order to liberate their country.

Concerning this, we feel that the Thai government should carefully consider whether recognizing the PLO would have a positive or negative effect on the country. Because if the effect is more negative than positive, we should remain passive for now instead of rushing to recognize this organization.

But from a humanitarian standpoint, SIAM RAT, as a part of the mass media, agrees that a Palestinian state should be established. This is because we feel that this is the only way to bring peace to the Middle East.

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THAILAND

COLUMNIST DISCUSSES PLO REPRESENTATION ISSUE

Bangkok SIAM RAT in Thai 30 Aug 82 p 2

[Article by Kasem Atchaisai: "Will a PLO Information Office Be Opened?"]

[Text] Several days ago, a representative of the Palestinian Liberation Organization, Mr Ali Fayyad, visited Thailand as a guest of the government. It appears that the government gave him a warm reception in accord with his position.

The fact that the Thai government welcomed a representative of the PLO may make some readers wonder whether Thailand has now accepted a representative of the Palestinian terrorist organization.

The thing worth noting is that there has been little news about the visit by Mr Fayyad and few newspapers have printed any stories about this. Actually, government officials should do something to make the people understand the difference between the PLO and the terrorist organization. And they should clearly explain why the PLO has sent a representative.

I remember that, not too long ago, Mr Yassir Arafat, the leader of the PLO, visited Hanoi in the position of one who had received support from the Soviet Union too and as a national liberator.

Based on this alone, it can be surmised that, in the socialist world, the PLO has received great support.

But in the free world, or Western countries, or the West, the PLO's image is more negative than positive, regardless of how much sympathy they have received.

The reason is that the countries that are pro United States, which includes Thailand, feel unsure about what position to take concerning the PLO's request for cooperation in establishing an information office in Bangkok. From the standpoint of news, this should be beneficial because, at present, Thailand gets information from the West only.

The thing that must be discussed first is: What does the Thai government think the position of the PLO is and if it allows the PLO to set up an information

office here, will this make the United States, Israel's backer, unhappy? Because if the information office is opened and Israel gets upset and protests to the United States, it may use its influence to strike back at us.

Thus, the Thai government must discuss this matter with the United States first.

Second, why do we (that is, the Thai government) have to take an interest in the PLO?

Actually, we do not have to take any interest in this matter if we think that this organization is a representative of the Palestinian terrorist organization that has caused trouble all over the world.

But Thailand does have to "care" because, even though the PLO is not the government of the Palestinian people at present, this organization has the support of the Islamic states, particularly the countries in the Middle East that have great influence among Third-World countries. In particular, [it is supported by] Iraq, which is trying to be the prime mover in arranging the conference of non-aligned countries to be held in Baghdad next month.

The oil-rich Arab countries such as Iraq have great influence in the United Nations and can do what they want because of their great financial power. And they can easily swing 90 Third-World country votes to make political moves.

M.L. Phiraphong Kasemsiri, the Thai ambassador to the United Nations said that it is true that we want to please, or humor, the Arab countries because, when we have asked for their help in submitting motions on the Indochina problem, they have constantly supported us. An example is the matter of preserving the seat of the government of Democratic Kampuchea in the United Nations.

Thus, concerning this visit by Mr Fayyad, it is understood that he has come to ask for repayment of the "capital" (which all the Arab countries have given to Thailand).

Since this is the case, it will be very difficult for the Thai government to refuse the request.

Actually, the United States recently expressed an attitude of wanting to talk with the PLO, which would be tantamount to recognizing the existence of this representative of the Palestinian people.

But it is not known whether the United States has now made changes in this policy since the plan to destroy the PLO structure in Beirut succeeded so well.

There are rumors that the foreign affairs subcommittee of the Thai House of Representatives is afraid that opening a PLO information office in Thailand

will cause turmoil. But it is not understood how this could be the case.

Thus, the government must announce what action it actually intends to take on this matter.

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PROMOTIONS OF SENIOR COMMANDERS, 1981 COUP LINKED IN SHUFFLE

Bangkok MATICHON SUT SAPPADA in Thai 19-25 Sep 82 pp 4-6, 38

[Article by "an Ordinary Reporter": "Chulachomklao Royal Military Academy, Classes 1 and 5: The Future Strength of the Royal Thai Army"]

[Text] "Eighty percent of the soldiers agree with this year's appointments," said General Prayut Charumani, the RTA CINC who will retire in just a few more days, with confidence. "Especially [with the choice] for the position of RTA CINC."

Why did General Athit Kamlangek become RTA CINC relatively easily?

The answer given by General Pathom Soemsin, the assistnat commander in chief of the army, who graduated form the Army Preparatory School, seems to be the one most on target.

"If General Athit has not been on hand during the events of 1 April, I don't know what would have happened. People who do a good job must be praised," said General Pathom. "General Athit does not have any blemishes. He speaks well and is understood by people at all levels. I think he talks like Mr Samak."

The First Problem For the New RTA CINC

"It is said that people do not like him. I do not think he smiles very much and so it seems like people do not like him," said General Pathom to MATICHON. "But I think that the faces of professional soldiers are like this."

In the view of General Prayut Charumnai, the reason that people do not like General Athit stems from the resoluteness of General Athit.

However, one high-ranking army officer told MATICHON that a survey among soldiers showed that General Athit was accepted by the soliders, especially by the combat units. And General Athit has leadership capabilities.

"But things will not be perfect," he said. "There will be a 'cold shoulder' situation. That is, they will give him the cold shoulder."

This officer gave an example and explained that if General Athit gives a party and invites officers to come, those who can avoid going will do so. This is because some officers want to see things done based on seniority.

#### Pamot-Athit, Love Understands Love

Before this year's appointment of the RTA CINC, there were many rumors and these caused much confusion. A MATICHON news source from the Army Special Operations Center confirmed that lower-ranking soldiers, both those near General Patmot and those near General Athit, gambled a lot of money.

That is, as the time for the announcement approached, they were not sure whether their "man" would win or lose. But the rumors surprisingly caused confidence.

"My father knew 7 days in advance," said the daughter of General Pamot to a reporter. "He said he would stay in his old position."

During an interview, General Prayut made the short comment that General Athit and General Pamot each have their own talents. One is skilled in operations and the use of force. The other is skilled in planning.

"Both men know themselves well. I think that if they both help each other according to their individual talents, things will improve in the army." This means that both General Athit and General Pamot will work jointly for [the good of] the army and the country.

"You can go write the criticisms yourself," said General Pamot. "Competing is useless. He just sat and laughed too."

#### Army Preparatory School Class 5, a Glow For Several More Years

Concerning the commanding generals of the various armies, with the exception of Major General Phat Urailoet, the commanding general of the First Army Area, all of these men are members of Army Preparatory School Class 5.

In the First Army Area, the two deputy commanders, Major General Sinthu Koetsombun and Major General Kasaem Sumanan, are both members of Class 5. Besides this, Major General Wanchai Ruongtrakun, the chief of staff of the First Army Area, is a member of Class 5 too.

The deputy commanders who are most senior are all members of Army Preparatory School Class 5.

In the First Army Area, the deputy commander who has greatest seniority is Major General Sinthu Koetsombun, the former commander of the 9th Division. The man who is second in seniority is Major General Kasem Sumanan. Both are members of Class 5.

In the Second Army Area, the deputy commander with the most seniority is Major General Loet Kanitthanakha, a member of Class 5.

In the Third Army Area, since Major General Phong Siriph, a member of Army Preparatory School Class 3, has been transferred and attached to the Office of the Undersecretary [of the defense ministry] with [the pay scale of] a lieutenant general just as was Major General Udom Titthasiri, who was formerly the deputy commander of the Fourth Army Area, the most senior person is Major General Thiep Kromsuriyasak, the former commander of the 9th Division. He has served as the deputy commander of the Third Army Area since 1978.

In the Fourth Army Area, the deputy commander with the most seniority is Major General Pricha Chawiphat, a member of Army Preparatory School Class 5. He can be called a "lion of the south." That is, in 1978 he served as the commander of the Songkhla Military Province. In 1979, he was the commander of the 5th Division, and in 1981 he was the deputy commander of the Fourth Army Area.

While Major General Pricha is the most senior person, another deputy commander is Major General Wanchai Chitchamnong, who graduated first in his class at the Armed Forces Staff College.

In next year's promotions, the position of commanding general of an army area will be the final goal, and it is expected that the figures will turn out as expected. The exception is one able officer from Class 5, who may act like some in Class 5 [sic] such as Lieutenant General Yutthasak Khlongtruat. It may be difficult to move to a higher position.

#### Chulachomkla Royal Military Academy Class 1, the Strength of the Future

Chulachomkla Royal Military Academy [CRMA] Class 1, an important member of which is Major General Chawalit Yongchayut, has few members but at present, they command very important forces and sectors.

This can be seen from the following list: Major General Sunthon Khongsomphong, the commander of the Army Aviation Center, Major General Chaichana Tharichat, the commander of the 1st Cavalry Division and Major General Wanchai Ruongtrakun, the chief of staff of the First Army Area [sic], Major General Somkhit Chongphayuha, the commander of the 9th Division, Major General Charuai Wongsayan, the commander of the Second Army Circle, Major General Saphrang Nutsathit, the director of the Office of Research and Development, and Colonel Ngamphon Nutsathit, the acting director of the Directorate of Intelligence, which is a very important position.

As for Major General Chawalit Yongchayut, he has been moved from the position of director of operations to the position of assistant army chief of staff for operations. The path of this general is open and he can either become a commanding general like Lieutenant General Han Linanon or become the chief of staff.

#### Chulachomkla Royal Military Academy Class 5, the Men Who Will Take Over Later On

In this year's transfers, the first three members of CRMA Class 5 to be promoted to general are Colonel Suchinda Khraprayun, the new director of operations,

Colonel Isaraphong Nunphakdi, the new commander of the 6th Division, and Colonel Wimon Wongwanit, the new commander of the 1st Special Combat Division.

A news source in the army told MATICHON that if nothing changes for Colonel Isaraphong, in the next several years he will return to 1st Division headquarters again.

Thus, it can be said that, after those in Army Preparatory School Class 5, the next class of soldiers who will be promoted will be CRMA Class 1 of Major General Chawalit Yongchaiyut. Those next in line will be the members of CRMA Clas 5.

Looking ahead to what will happen in the next decade, the next RTA CINC after General Athit will probably come from CRMA Class 1. The next one after that should come from CRMA Class 5.

The commanders In Chief of the Three Armed Services Are Deputy Supreme Commanders

Concerning the proposal to have the commanders in chief of the armed services also serve as deputy supreme commanders, a high-ranking news source of MATICHON confirmed that this was not the innovation of General Saiyut Koetphon. Rather, it was the creative idea of an army officer who is making a great leap for an officer of the rank of "major general."

Concerning the reasons and purposes in establishing this position, first, it just happens that all three deputy supreme commanders retired this year. Second, during the past period, General Saiyut Koetphon has tried to bring the power of the commanders in chief of the three armed services under the control of the supreme commander somewhat by holding joint conferences every month. This seems to be a major matter but none of the commanders in chief have been very cooperative.

"It can be said that they have turns," said a news source coldly. "Because this will have no effect on commanding the forces."

This position was proposed in order to give the meetings a more definite shape so that General Saiyut Koetphon, the supreme commander, does not get too upset.

Finally, this was done in order to take this opportunity to arrange the supreme command system in a proper way as was once planned by General Krit Siwala. It is expected that the next supreme commander will come from the air force. After that, it will be the navy's turn, and then finally the army's turn once again.

The Three Armed Services, New Signs

Ever since the events of 14 October 1973, there has been criticism about the fact that military officers play too many roles at one time. For example, General Athit is the president of the Telephone Organization, the commander in chief

of the air force is the president of Thai International and Thai Airways and the commander in chief of the navy is the president of the Port Authority of Thailand.

Another sign is that the new officers who have taken command in the three services have studied at other schools besides the military academies. They have studied military science and other subjects and they have studied abroad.

Their educational backgrounds are different from those who held command positions from the time of the 1974 coup to 14 October 1973. That is, the knowledge of these older officers was limited to domestic matters. They had little chance to observe good examples from abroad. Thus, they preferred to have a dictatorship and to destroy democracy.

But most of the officers who hold command in the military today, particularly those at the level of major general and lieutenant general, are professional soldiers who are not involved in business activities involving privilege and influence. At the same time, many of them have earned MA degrees from abroad and some have served as military attaches abroad.

As for the army, this situation provides good soil in which General Athit Kamlangek, the new RTA CINC, can plant the seeds of democracy and develop the army with the goal being to have democracy.

#### "Deep Cracks" In the Army, the First Task For Him

Ever since the events of 1-3 April and the military promotions in September 1981, the words to the effect that there is great solidarity and unity in the army have been just "mouthwash" in order to give a good appearance. But actually, it can be said that "deep cracks" have arisen in the army.

Concerning these deep cracks, as the person who put down the rebellion and as the person who has risen in rank faster than anyone else, General Athit Kamlangek is closely involved in this.

But by virtue of the duties of the RTA CINC, General Athit must be creative in solving this problem quickly before these cracks cause someone in the army to fall into the crack and get lost in the darkness there.

#### Toadies Will Hurry to Come All the Time

When General Athit became the commander of the Capital Guards, toadies who follow in the tracks of the soldiers, toadies who had once joined the Thanin government and caused his downfall, tried to ingratiate themselves and become advisors to General Athit Kamlangek.

These people have caused General Athit to be talked about unfavorably and it will take awhile before he can escape the stench of these people.

Because if General Athit relies on these people, his future will not be that of a "small Sarit" but rather that of a "small Thanin."

Regardless of the fact that the paths of RTA CINC and prime minister have been so intertwined in the past, for General Athit, how high he will be able to climb while serving as RTA CINC will decide his future.

Some political advisors are trying to build up General Athit's image to make him appear like Field Marshal Sarit or have him speak like Mr Samak.

The lesson of history is that the advice of others, including politicians and soldiers, should be given attention. But the thing that will build a bright future for him is for him to "be his own man." Knowing how to coordinate interests and knowing how to use the good things from the past and look far into the future are the only things that will enable a leader to move forward.

And to endure, what is very important is to love the people and follow the path of democracy with honor.

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KHAISAENG SUKSAI DISCUSSES UDOM SISUWAN THEORIES, PARTY AFFAIRS

Bangkok MATICHON SUT SAPPADA in Thai 19-25 Sep 82 pp 20, 21

[Interview with Mr Khaisaeng Suksai, the former leader of the Socialist Party of Thailand: "A Person Like Udom Sisuwan Has the Masses"; date and place not specified]

[Text] [Question] Would you give us some detailes about the background of Mr Udom Sisuwan when you joined the KPCP in the jungle? Is there anything of interest that is connected to or in line with his surrender?

[Answer] Mr Udom has to be studied. He is a writer. He is courteous and modest. And in particular, he has great hopes for the country. He used to travel all over the world to attend peace conferences and writers' conferences. Once when he returned, he was jailed by the Sarit government. We were jailed together in 1958 and spent 7-8 years in prison. At that time, the people in jail inlcuded Mr Udom, Mr Isara Amantakun and Mr Utthon. They charged one, Mr Udom, with being a communist. But looking at the way he conducted himself in prison, he is a man worth studying.

He arranged his prison life very systematically. He read, wrote and played sports and music. He never boasted or got angry with anyone. He spoke very little.

Later on, when Mr Udom got out, he went to work for the Office of the VOICE OF ANG THONG, a newspaper. I got out around the same time and Mr Udom invited me to work there too. He asked me to come manage the VOICE OF ANG THONG printery. I was the manager at that time. He would come and sit with me. He is the one who gave me this job, saying that I would have to find sponsors, wear a necktie, wear clean clothes and wear good shoes. He said that I wuld have to travel about looking for sponsors and that I would have to carry a "James Bond" briefcase since we would be in good society. He gave people good ideas and was a person you could trust. He and his girlfriend were living with me and so I knew how much they loved each other. For their wedding, he asked me to be the best man. Then, 1 day after the wedding, Udom disappeared and I did not see him again.

[Question] What year was that?

[Answer] Around 1965 or 1966. I thought about why Udom had done this. I learned only later that....The person who had fought for independence and democracy and who had been jailed could not stay. I learned that he had gone into the jungle. I thought about why he had gone into the jungle. Did he leave as one who has a chance to help the country make progress? Did he go to join friends in the jungle? We were very happy. We wrote books. We had an office. Things were very comfortable for us. Giving up this life to live on roots and live among the bugs was not an ordinary matter. This shows that he had to have very good intentions toward the country.

I continued on with my life and did not hear anything about Udom. By chance, elections were called in 1968. The constitution had been written in the time of Field Marshal Sarit. When Field Marshal Sarit died, it took Field Marshal Thanom until 1968 to write another one. Elections were then held in 1969. I ran as a candidate and was elected MP. As an MP, I waged many battles. But as we had once discussed, we couldn't do anything. We couldn't defeat them because, at that time, the constitution stated that the only duty of the MPs was to submit motions and ask questions. We could not serve as deputy secretaries secretaries or ministers. I saw that whenever we said anything, the only opposition parties were ourselves and the Democrat Party. But we could never defeat the United Thai People's Party of Field Marshal Praphat and Field Marshal Thanom. I felt discouraged.

After the events of 14 October 1973, I ran for election in Nakhon Phanom. The Socialist Party won 15 seats. Even though they tried three times to appoint me minister, I refused since I wold not have been able to solve the problems. The opposition could not do anything. We could not defeat those with money and power. Also, people were trying to kill me and so I decided to flee into the jungle. Of course, the person I looked for in the jungle was Udom since I knew he was in the jungle and since we had been friends. I looked for Mr Pluong since he had gone into the jungle first.

[Question] What were things like when you first went into the jungle?

[Answer] When I went in, I was warmly welcomed. In the jungle, he was master. Everyone had faith in him. To smoke, he rolled banana leaves. He was quiet. He had no more than 15 baht on him. He earned 15 baht a month. He was very frugal in his habits. Sometimes friends came and gave him some coffee. This is what his life was like. But, at the same time, he was educated. He could write in English, Chinese and Russian. It was then that I learned that he had been a revolutionary for a long time. We were always together. We were friends and trusted each other. His personal life is really worth studying.

[Question] What were Udom and Pluong like when you were in the jungle together? Is there anything that would suggest that he was going to defect too?

[Answer] Concerning things in this world, if there was anything worth uniting for at that time, it was to solve the problems. When I was there, conflicts arose, people became selfish and people took advantage of others. It is a Buddhist principle that if people take advantage of others and are selfish, there will not be solidarity. Thus, regardless of where it is, everyone will be like this.

Pluong and Udom both felt that their way, which had good hopes for the country, and that of their party, which has a Political Bureau, both had good intentions toward the country. But when the two began to disagree and lost faith in each other, when the students fled there and called for democracy to no avail, when politicians fled there and asked that things be democratic, again to no avail, and since only the old things were held to, he could not put up with this. He had to go along with the majority because no party is bigger than the people. The people are bigger than any element in a party. Thus, his defection means that it is clear that there were repeated conflicts over the problems. When he lost, he had to leave. And this did not just happen. These conflicts had to have been going on for a long time.

[Question] Did he ever talk with you about this?

[Answer] The communist party is very disciplined. He never told me anything.

[Question] During the time of the united front organization when Mr Udom coordinated activities, Mr Udom never said that he had tried....

[Answer] Coordination. He constantly said that he had tried. He wanted to use the ideas of the united front in order to help our country become independent and have a perfect democracy.

[Question] Did he say that he had failed and had not reached the goals?

[Answer] No No. No. He said that the party was debating matters. There was a Political Bureau and a Central Committee. [He said] it was not a matter over which he alone had power. Thus, both Udom and Pluong were attacked by the students and politicians. Because those people spoke as one; they were all communists. But we were democratic and had various views. If people didn't believe us (laughs) today, never mind. We would try again tomorrow. This is how things were. Whatever their group said was believed. But our group was not like that. We were really democratic. Using slang, it can be said that the "horse was not tied." If the horse is not tied, it will run and run. This is real democracy. We went and joined the communists. And the communists could not put up with our ways either. Because if they had followed us, they would have been unhappy too. This is because their party is very disciplined. Our party was a free party. Really free.

[Question] There were reports that because Udom was responsible for the northeastern zone, in the northeast, students and intellectuals began agitating for greater democracy and for a greater voice in things. But high echelons were not willing

to carry on a movement and so this put pressure on them to hold a conference. And when pressure was applied again, Udom finally had to make the decision to leave.

[Answer] I think this played a part. This was very important, because Udom was involved in the united front with the students and with the politicians from the various parties. When he forwarded proposals to higher echelons, they were rejected. Since they were always rejected, where could he hide in face. The students, politicians, the Socialist Party and the united front parties were all democratic and had an adequate mass base. But their [views] were not followed. They did not agree. This shows that he accepted the truth. If you get involved in shoring up things when things are falling apart and insist on supporting things at a time when the communist party is doing the wrong thing, you will be tainted too. He had to leave. Why. For something better. This is only natural.

[Question] Has the CPT had to make any changes, since this had a great effect?

[Answer] They don't have to. The communist party must rely on the masses. A person like Udom Sisuwat has his own popular support. Mr Khaisaeng has his own followers. And similarly others. Although there are people from all professions, they all have good intentions toward the country. Is there anyone who can unite the people of the country and not look at people as this or that? How serious is Order 66/1980, which was issued by Prime Minister Prem? Prime minister Prem will also have to concretize this order. Previously, we looked at each other and were friends. Now we do not look at each other. This one looks left. That one right. Previously we all loved each other and were united. Where has that previous age of well-being gone to? Now there is only discontent.

There is no other country that is better than Thailand. No Thai has seen a country better than his own. And there is no land anywhere that is as soothing to a Thai in both life and death as is Thailand. There is no climate anywhere that is as refreshing as that in Thailand. Thailand is a final refuge that we must hold more dear than our own life. And when people come back like this, we must hurry to embrace them and give them comfort. There is only one way. He has friends. He is a good man. He is not a drug trafficker, and he does not traffick in weapons. He is a patriot. But to have everyone be patriotic, everyone must be the owner of the country and the country must belong to everyone. This is the final word for the patriotism of all Thais. Don't monopolize things. Don't monopolize things. If people monopolize things, [the masses] will spurn them and drive them out. History teaches us not to monopolize things.

[Question] Do you think any more high-ranking people will leave the party?

[Answer] A party will have conflicts. All parties in the world have conflicts, both large and small conflicts. There are now conflicts within the communist party. We don't know whether they will change their attitude or not. But what has been lost is men of the caliber of Mr Udom and Mr Pluong. The communist party must be very sad. Not just slightly, but very sad. I think [the party]

must be very sad at the defection of these two men because these were the only two men in the communist movement who could communicate with the democrats. The others do not speak the same language.

[Question] Will the light begin to go out on the future of the CPT?

[Answer] I did not say that the light was going out. It may get ever brighter. Since these two have defected, I think matters are serious [for the party].

[Question] What is Thong Chaemsiri like?

[Answer] He is a very good man. If he leaves, things will be even worse.

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RTA CINCS, TENURE LISTED

Bangkok SU ANAKHOT in Thai 29 Aug-4 Sep 82 p 17

[List of RTA CINCS]

[Text] Names of RTA CINCS and the Periods They Held This Position (1932-1981)

<u>Rank and Name</u>	<u>Period in which they held position</u>	<u>Length of time position held</u>
1. Colonel Phraya Phahon Phonphayuha Sena	6 Jul 1932 - 18 Jun 1933	11 months, 14 days
2. Major General Phraya Phichai Songkhram	19 Jun 1933 - 23 Jun 1937	5 days
3. Colonel Phraya Phahon Phonphayuha Sena	24 Jun 1937 - 3 Jan 1938	4 years, 6 months, 10 days
4. Colonel Luang Phibun Songkhram	4 Jan 1938 - 5 Aug 1944	6 years, 7 months, 3 days
5. Lieutenant General Luang Kriangsak Phichit	6 Aug 1944 - 23 Aug 1944	18 days
6. General Phraya Phahon Phonphayuha Sena	24 Aug 1944 - 29 Mar 1946	1 year, 7 months, 7 days
7. General Luang Adundetcharat	26 Aug 1946 - 8 Nov 1947	1 year, 2 months, 14 days
8. Field Marshal Phibun Songkhram	9 Nov 1947 - 15 May 1948	6 months, 7 days
9. Lieutenant General Phin Chunhawan	28 May 1948 - 23 Jun 1954	6 years, ---, 27 days
10. General Sarit Thanarat	25 Jun 1954 - 8 Dec 1963	9 years, 5 months, 14 days
11. General Thanom Kittikhachon	11 Dec 1954 - 30 Sep 1964	9 months, 21 days
12. General Praphat Charusathien	1 Oct 1964 - 30 Sep 1973	9 years
13. General Krit Siwala	1 Oct 1973 - 30 Sep 1975	2 years
14. General Bunchai Bamrungphong	1 Oct 1975 - 30 Sep 1976	1 year
15. General Soem Na Nakhon	1 Oct 1976 - 30 Sep 1979	3 years
16. General Prem Tinsulanon	1 Oct 1979 - 25 Aug 1981	1 year, 10 months, 25 days
17. General Prayut Charumani	26 Aug 1981 - present	

Note: Field Marshal Phibun was promoted to Field Marshal on 28 July 1941.

Lieutenant General Phin was promoted to Field Marshal on 31 March 1953.

Lieutenant General Sarit was promoted to Field Marshal on 1 January 1956.

General Thanom was promoted to Field Marshal on 10 January 1964.

General Praphat was promoted to field marshal on 18 June 1973.

General Prem extended his term in government service 1 year on 26 August 1980.

Those RTA CINCS who also served as prime minister are General Phraya Phahon Phonphayuha Sena, Field Marshal Phibun Songkhram, Field Marshal Phin Chunhawan, Field Marshal Sarit Thanarat, Field Marshal Thanom Kittikhachon and General Prem Tinsulanon.

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CYCLE OF DROUGHT, HARSHIPS IN NORTHEAST SEEN AS UNENDING

Bangkok MATICHON in Thai 3 Sep 82 p 5

[Article by Withayakon Chiangkun: "The Northeast, a Drought In Both Water and Good Will"]

[Text] I received a report of drought in the northeast and some parts of the north from development circles. I think that the data are very interesting and so I would like to report them and also express some of my views.

This report is divided into two parts. The first part is a collection of press reports published during July and August. The second part is data that were obtained from northeastern development officials and villagers.

The Northeast and North, Little Water

The first part can be summarized as follows: There is drought in 22 provinces in the northeast and north. The five northeastern provinces that have been hit the hardest are Surin, Udorn Thani, Loei, Nakhon Ratchasima and Yosothin.

Other provinces affected include Kalasin, Khon Kaen, Sakon Nakhon, Nong Khai and Udorn Thani [sic]. The total area affected is approximatley 7.3 million rai.

As for the north, most of the affected areas are in the lower north. Provinces that have been hard hit include Phichit, Phitsanulok, Nakhon Sawan and Sukhothai. Other provinces affected include Kamphaengphet, Tak, Phetchabun, Phrae, Lampang, Uttaradit, Phayao and Uthai Thani.

In some areas in the northeast where it has not rained for 2 consecutive years, the people are in such a dire situation that they have had to go out and beg and they have had to eat grasshoppers and lizards (Khon Kaen). The people in several northeastern provinces have come to Bangkok seeking work. In Kamphaengphet, more and more people are illegally felling trees and selling the timber to merchants.

### No Water, No Sympathy

Besides encountering drought, the people in the northeast have also encountered people of ill will. Not only have these people not provided help, they have even taken advantage of people.

At Ban Phraeng in Dan Khun Thot District, Nakhon Ratchasima Province, local investors have used their influence to take possession of public land, which includes a large swamp that is a source of water for the villagers.

In some areas, people have gone and tricked the people into paying them to make artificial rain, or royal rain, which both have the same meaning.

In some places, officials have allotted money to purchase water tanks but because of the corruption, tanks of the wrong size have been sent.

Those who have come to Bangkok looking for work have been cheated and taken advantage of. It is not known how much they have been underpaid for their labor.

The government has allotted 200 million baht to help solve the drought problem. The money is to be used for such things as purchasing water tanks, providing water pumps and producing artificial rain. But this has not helped much.

As for artificial rain, a report says that there is a shortage of equipment. Thus, only some places can be helped. And the cost of producing artificial rain is 40,000 to 50,000 baht per day.

### Farmers Are Not Stupid

As for the second part of the report, these are data that were provided by the villagers.

The villagers to whom the development officials talked with are not stupid as the government seems to think. They know there is drought because the trees have all been cut down. Previously, there were many trees. They helped absorb the moisture. And so, even though there were droughts, they were not as severe as they are today.

"Officials say that the absence of trees has caused the drought. They have encouraged villagers to plant trees and told them not to fell trees. But the officials cut down many trees. Owners cannot fell the trees but those who do not own them can. They have felled many trees."

The villagers said that, previously, there were never droughts this severe. At most, there was drought in the high fields. The lower fields could be worked. Enough rice could be harvested to carry them through the year. Previously, they were able to grow enough for themselves and didn't have to purchase any.

If necessary, they could ask to share things. Food, such as frogs, oysters, crab, fish and forest products, was plentiful. And it didn't require much fertilizer to grow crops.

But now, besides the fact that the droughts are more severe, they have to purchase everything. And if they don't have the money to purchase things, they must borrow money at high rates of interest. To work the fields now, fertilizer must be used and this has increased their troubles.

#### How Much Has Artificial Rain Helped the Villagers?

The troubles being experienced by the people have made it necessary for them to struggle. There has been more quarreling and theft. Some have given up and tried gambling, which has made things even worse for them.

As for artificial rain, here is what one farmer had to say:

"How can artificial rain help? Since there aren't any clouds, you can't produce artificial rain. This isn't really producing rain. It just helps make it rain faster. Where does it rain? It rains in the cities and 400-500 million baht is wasted. On the radio, I have heard them say that it has rained here and there. But when I have asked people from those places about this, they said that it didn't rain. They have been lying."

#### Conclusion, Capitalism Consumes People

Concerning the data from this report, I would like to summarize things and make the following observations:

1. Drought is not a matter of nature entirely. It has occurred because people have destroyed the forests and the environment. And the ones who are most responsible for the destruction of the forests are the capitalists and influential people.

The villagers have felled trees too. But they have done so because of pressure from the expansion of the capitalist economy. This has made it necessary for them to struggle in order to survive.

2. Because Thai agriculture still depends mainly on rain water (80 percent of agricultural area) and because there is insufficient investment in irrigation, during a drought, the farmers suffer serious losses since they cannot obtain water from other sources. Actually, modern agriculture does not need to wait for nature.

3. Government aid is not timely or sufficient. The economic system in which those with the most power take the biggest share has enabled people to take advantage of the farmers and the government has not been able to control matters. Sometimes, government officials are involved in exploiting people (for example, the corruption involving the money allotted to help the farmers).

4. The expansion of the capitalist economy has resulted in the destruction of the environment. Subsistence production and the gathering of food found in nature has declined. Farmers have turned to producing crops to sell. Everything must be purchased. Since more chemical fertilizers and insecticides are used the soil is becoming less and less fertile and more and more strange insects are appearing. This in turn makes it necessary to use even more fertilizer and insecticides.

The farmers must rely on a credit system. They are at a disadvantage in the trade relationship. They are falling deeper and deeper into debt.

5. The drought has thus added to the farmers' problem of being exploited. They have to sell their produce at low prices while capital and interest rates are high. This has put the farmers in a very bad situation. There are more and more broken homes. This is not just an economic problem. It is also a social problem.

What is worse than drought is the ill will of those who have constantly exploited the farmers to the present time.

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ACTIVITIES OF FOREIGN PRESS DECRIED

Bangkok DAO SIAM in Thai 29 Aug 82 p.5

[Sunday Criticisms column by Taphaya: "Just Awake?"]

[Text] Since the fall of Phnom Penh, Kampuchea has had a communist system of government. And more and more people with bad intentions toward Thailand have come to make a living in Thailand. They have come in the guise of reporters and photographers.

At present, Thailand is filled with such people. There are countless such people here. Many information offices have been established.

There are so many reporters for foreign newspapers, including both Thais and foreigners, that even those in the same profession can't remember who works where. What are they doing here, particularly the caucasians and other foreigners?

Usually, they are treated with great respect by Thai officials. They are treated with greater respect than are the Thai people!

This can be seen from the fact that reports that are sent abroad are sent faster and more promptly than are reports in Thailand. These people have even received permission to go to the battlefield along the border.

And what have these people ever done for Thailand? They have just taken since they use Thailand to send their reports, which contain both facts and lies, to their offices abroad. They do not give any thought to Thailand, which has provided them with a place to live and work. They are not interested in nor do they care how much damage they cause the Thai people or the Thai government in the eyes of people abroad.

No action has ever been taken against these people. [Officials] just act as if they are greatly afraid of them. The Thai mass media is given strong warnings. For minor matters, the Thai media is given warnings and closed down.

No Thai reporter would print stories harmful to the country. They too have to have a place to live.

But sometimes it is necessary to print strong articles since it is not possible to put up with the great corruption.

May I speak frankly? How many times have Thais betrayed their country?

But have the foreign reporters shown such good intentions toward Thailand that they deserve to get such great privileges? Our neighbors have erroneous views of our country. Have these reporters ever been called in to set them straight or revise their reports?

Will Thailand continue to allow these people to work and live in Thailand? Besides taking jobs away from Thais, they also cause other losses for Thailand.

As General Athit Kamlangk said, how can foreigners know what is going on in Thailand better than the Thais?

Thailand is not the slave of anyone. No foreign embassy can force us to accept people who will do things harmful to the country.

These people have never shown any appreciation for what we have done for them. All they know how to do is create trouble for the country where they are living.

Thus, I wonder why the Thai government allows them to stay in Thailand. Have they ever done anything that benefited our country? Are these people so important that we have to fear them?

Concerning the damage they have caused Thailand, General Athit said that these people are not our father.

Yes. Hasn't the time come to put a stop to the actions of these people? Or will we allow them to continue harming our country?

Those senior people in Thailand who have constantly said that the foreign newspapers are good and that they are correct will soon be eating foreign dung.

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